



## 2006 Land & Maritime Supply Chains Business Conference and Exhibition

Columbus, OH

**28-30 August 2006**

Onsite Brochure

### Opening Remarks:

Rear Admiral Charlie M. Lilli, SC, USN, Commander, Defense Supply Center Columbus

"Transforming the Agency: Today's Performance and Tomorrow's Capabilities - A Glimpse Forward to DLA in the Post-BRAC Environment":  
Mr. Allan A. Banghart, SES, Director, Strategic Planning and Enterprise Transformation, J-5, Defense Logistics Agency

### "Land & Maritime Supply Chains...Today and Tomorrow"

Mr. James M. McClaugherty, SES, Deputy Commander, Defense Supply Center Columbus

### "Customer Pay" - A Government / Industry Partnership

Mr. Edmond L. Peters, Senior Vice President, Procurement and Business Development, President, AM General Defense, LLC

### "Strategic Partnering to Sustain Fleet Readiness"

Vice Admiral Justin D. McCarthy, SC, USN, Director for Material Readiness and Logistics (N4), Office of the Chief of Naval Operations, Washington, DC

### Guest Speaker -- "Achieving Supply Responsiveness/Asset Visibility on the 21st Century Battlefield"

Lieutenant General Richard S. Kramlich, USMC, Deputy Commandant, Installations and Logistics

General Session

### **Breakout Sessions**

DoD EMALL Demonstration/Overview

Value Engineering Tools for Contractor Support

Procurement Systems and Supplier Interfaces

Tire Commodity Management Privatization (BRAC)

Radio Frequency Identification (RFID)

Packaging

DFAS Your Financial Partner @ Work

Land Supply Chain

Maritime Supply Chain

DLR - Depot Level Reparables (BRAC)

DSCC Small Business Program/Sourcing Initiatives

Workshop Descriptions

# Land & Maritime Supply Chains

## Today and Tomorrow



# *From the DSCC Commander*



On behalf of Land and Maritime Supply Chains, welcome to the 2006 Land & Maritime Supply Chains Business Conference & Exhibition. I am delighted that you are here, and I sincerely hope that this year will build on the successful events of the past. This is our fourth Conference and once again, we have an excellent host here at the Hyatt Regency at the Greater Columbus Convention Center. In addition, I am grateful to have the talents of the National Defense Industrial Association (NDIA) helping us make the Conference as productive as possible.

We have strived to make this year's event a meaningful opportunity for all who participate - our collective goals are to develop new ideas, share success stories, learn of best practices and meet colleagues from across the country and around the world.

This year's theme is "Land & Maritime Supply Chains...Today and Tomorrow," and the ultimate objective of this Conference is to enhance support of our fighting men and women by further developing relationships that support the Department of Defense in this fight for freedom.

As I've said before, suppliers are the lifeblood of our business. We need and look forward to your input on how we can continue to maintain the highest levels of support to our customer - our Soldiers, Sailors, Airmen, Coast Guardsmen and Marines stationed around the globe. They are counting on us and they deserve the best support that we can provide.

Again, welcome and thank you for your participation.

Rear Admiral Charlie M. Lilli, SC, USN  
Commander

# *From the DSCC Deputy Commander*



Welcome once again to the 2006 Land & Maritime Supply Chains Business Conference & Exhibition.

The primary focus of the Conference will be to close the gap between vision and reality in this time of tremendous transformational change so that the full benefits of our DSCC-Supplier partnership are realized. I hope that it is advantageous to you to meet here, put faces to names and create new and valuable relationships as we align our enterprise to the Warfighters. I hope that we can all enhance the understanding of the needs of the Warfighter.

Our theme this year reflects the emphasis that will be given to both our on-going mission support and the new missions we will spearhead as a result of the 2005 Base Realignment and Closure (BRAC) process. With our continuing support of DoD Warfighters and the Global War on Terrorism, plus our full implementation of the Business Systems Modernization Program, we have many current issues to discuss. Additionally, BRAC has provided a whole new array of challenges and opportunities to discuss with our industry partners.

Our Conference speakers will highlight our customers' operational requirements and business initiatives, while updating you on the latest news on topics, programs and initiatives of importance to companies interested in doing business with DoD. Thanks for joining us to exchange information with the Land and Maritime Supply Chains' leadership and personnel.

Mr. James M. McClaugherty, SES  
Deputy Commander

# ***Conference Theme and Objective***

## **“Land & Maritime Supply Chains... Today and Tomorrow”**

The Land & Maritime Supply Chains Business Conference theme reflects the emphasis that will be given to both our on-going mission support and the new missions we will spearhead as a result of the 2005 Base Realignment and Closure (BRAC) process. With our continuing support of DoD warfighters and the Global War on Terrorism, plus our implementation of Business Systems Modernization Program (BSM), we have many current issues to discuss. Additionally, BRAC has provided a whole new array of challenges and opportunities to discuss with our industry partners. We have several keynote speakers from the military services and industry who will provide updates on our customers' operational requirements and business initiatives and many other opportunities to obtain the latest news on topics, programs and initiatives of importance to companies interested in doing business with DoD. We look forward to having you join us to exchange information with the Land & Maritime Supply Chains' leadership and personnel.



Columbus Skyline - Photo by Randall Lee Schieber



***"The Department of Defense finds this event meets the minimum regulatory standards for attendance by DoD employees. This finding does not constitute a blanket approval or endorsement for attendance. Individual DoD component commands or organizations are responsible for approving attendance of its DoD employees based on mission requirements and DoD regulations."***

# About DSCC

Throughout the world, the Defense Supply Center Columbus (DSCC) is known to more than 24,000 military and civilian customers and 10,000 contractors as one of the largest suppliers of spare parts. DSCC is a field activity of the Defense Logistics Agency which has its headquarters in Ft. Belvoir, VA.

Today, DSCC's state-of-the-art supply chain system connects business processes from the supplier to the customer through the Land and Maritime supply chains. Managing two of DLA's eight supply chains, DSCC buys and supplies more than 1.6 million items within those supply chains with a partnering agreement with two other DLA defense supply centers. DSCC accounts for more than \$2.8 billion in annual sales.

The current DSCC Commander is Rear Admiral Charlie M. Lilli, SC, USN. The DSCC Deputy Commander is Mr. James M. McClaugherty, SES. The Acting Chief of Staff is Mr. Dennis C. Canterbury.

DLA's vision and mission are the foundation statements for DSCC's commitment to the Nation's Armed Forces. DSCC aligned its FY '04 Business Plan initiatives with the DLA Strategic Plan goals to ensure constancy of purpose in meeting the readiness needs of America's Warfighters.

DSCC's corporate identifier, The DSCC Way, illustrates the principle components of DSCC's culture and business interpersonal ethics. The identifier defines the Center's expectations about customer support and the values it promotes among its associates.

This Center, now called the Defense Supply Center Columbus, has served in every major military engagement since World War I. In 1917, America's production effort in World War I reached a dilemma when supply lines to ports of embarkation for troops and material were filled to capacity. This site, originally a combination of swamp land and farmland, filled the need for a logistics center because it afforded immediate access to three important railroad lines and was centrally located amongst US manufacturing centers. In April 1918, the US Army Quartermaster Corps purchased 281 acres of land to construct a government military installation now known as DSCC. Warehouse construction began in May of that year, and by August, six warehouses were receiving material for storage. Those warehouses were still in use at the turn of the millennium.

The lull between WWI and WWII reduced Center operations to mostly reconditioning and sales of wartime stockpiles, and in the 1930's, the Center became a regional headquarters for the Civilian Conservation Corps.

During WWII, the Center became the largest military supply installation in the world. In December 1942, an additional 295 acres were purchased. With more than 10,000 civilian employees, it played a large part in the overall war effort. Near the end of the war, some of the warehouses were turned into secured barracks to house hundreds of prisoners of war.

Amidst the wars, the conflicts and humanitarian relief efforts, the installation has continuously worked to establish direct and fast moving supply lines to support US troops in all parts of the world.

The installation's operational activities were assigned to the US Army Supply and Maintenance Command in July 1962. The following year, it became the Defense Construction Supply Center under what is presently known as the DLA.

DSCC was formed from the 1993 Base Realignment and Closure Commission-ordered merger of the former Defense Construction Supply Center and the former Defense Electronics Supply Center in Dayton, OH. The merger provided the installation with its 14th name change, thus becoming the Defense Supply Center Columbus in January 1996.

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# Conference Information

## CONFERENCE MANAGEMENT TEAM

### National Defense Industrial Association

Mr. Sam Campagna, Director, Operations

Ms. Meredith Geary, Meeting Planner

Mr. Dennis Sharland, CEM, Exhibits Manager

## CONFERENCE MANAGEMENT TEAM

### Defense Supply Center Columbus

Ms. Deborah R. Raita, Acting Director,  
Procurement Process Support Directorate

Lt Col Richard C. Olson, USAF, Deputy Director,  
Procurement Process Support Directorate

Mr. Michael D. Fauris, Sr., Chief, Acquisition  
Support Branch

CDR Clifford G. Scott, SC, USN, Unit Chief,  
Electronics Division

Ms. Arretta Griffith, Procurement Support  
Assistant (OA)

Ms. Shelly Jenkins, Customer Account  
Specialist

Mr. Mike Morouse, Supervisor of Integrated  
Supplier Team

Mr. David Devine, Integrated Supplier Team  
Supervisor

Ms. Pat McCreay, Procurement Analyst

Ms. Anita Luich, Supervisor of Integrated  
Supplier Team

Mr. Aaron Walker, IT Specialist

Mr. David Holderby, Support Services  
Supervisor

Ms. Kestra Tinker-Parks, Integrated Supplier  
Team Supervisor

Ms. Debra Perry, Supervisory Public Affairs  
Specialist

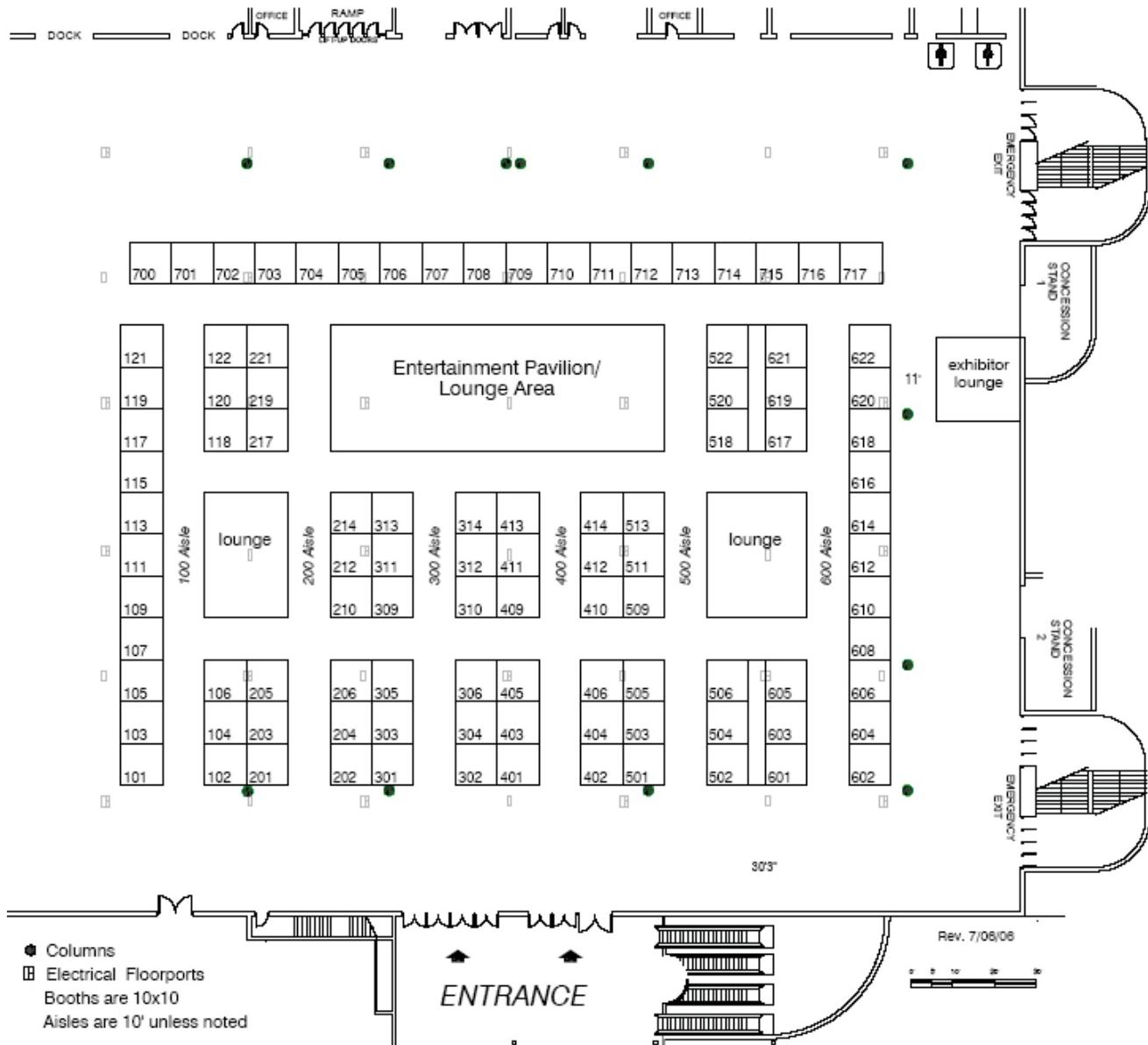
Mr. David Collins, Supervisory Police Officer

**CONFERENCE BADGES MUST BE WORN  
AT ALL TIMES THROUGHOUT THE  
CONFERENCE AND IN THE EXHIBIT HALL**

# Exhibitor List

Aircom Manufacturing, Inc.....	617	HALTEC.....	502
AM General, LLC.....	511	IHS, Inc.....	410
Applied Industrial Technologies.....	608	Imobile Systems.....	310
Arlington Machine & Tool Co.....	403	Intelligentz Corporation.....	212
B & E Sales.....	504	Inventory Locator Service.....	313
BTMC Corporation.....	601	Jamaica Bearings Group.....	414
Busak + Shamban.....	102	Kamatrics Corporation.....	219
Carlton-Bates Company.....	204	Kovatch Castings, Inc.....	409
Cherokee Information Services, Inc.....	221	Lambda Supply Corp.....	103
Columbus McKinnon Corp.....	406	Lockheed Martin.....	501
Connective Design, Inc.....	412	Lockheed Martin.....	505
Crane Aerospace & Electronics.....	214	M & A Supply.....	106
Creative Tent International.....	305	Marvin Engineering.....	314
Crestwood Technology Group.....	401	Miller-Holzwarth, Inc.....	605
Dero Aerospace, Inc.....	202	Night Vision Systems.....	622
DLA - Aviation Detachment.....	714	NISH.....	312
DLA - Business Systems Modernization.....	715	NSN-NOW.....	107
DLA - Casting and Forging.....	712	Ontario Knife Company.....	405
DLA - Defense Distribution Center (DDC).....	716	Oshkosh Truck Corporation.....	513
DLA - Product Testing Center.....	713	Otis Products, Inc.....	518
DMSMS GEM.....	717	Partz Network, LLC.....	404
DoD - DCAA.....	701	Patterson Fan Company.....	602
DoD - DCMA.....	700	PDA, LLC.....	303
DoD - DFAS.....	702	PennDDA-Government Services Dept.....	217
DoD - DoD EMALL.....	703	Productivity by RFID.....	311
Drytech, Inc.....	522	PWC Logistics.....	201
DSCC - Land Supplier Operations.....	708	SAIC.....	302
DSCC - Land Supplier Operations.....	707	Sales Opportunity Services, Inc.....	309
DSCC - Maritime Supplier Operations.....	709	SimplyRFID.....	101
DSCC - Maritime Supplier Operations.....	710	Southwest Radiator Shop, Inc.....	121
DSCC - Operation Support.....	711	Techmetals, Inc.....	411
DSCC - Procurement Automated Best Value System.....	706	The Asaba Group.....	304
DSCC - Procurement Surge & Sustainment.....	705	The Ulven Companies.....	210
DSCC - Small Business.....	704	TW Design & Manufacturing.....	616
Easysoft Corporation.....	506	Vermont Aerospace Manufacturing.....	402
EGG/LSI.....	206	WW Williams.....	509
Facet International, Inc.....	306	Warren Pumps, LLC.....	203
		WR-ALC/402d Maintenance Wing.....	301

# Exhibit Floor Plan

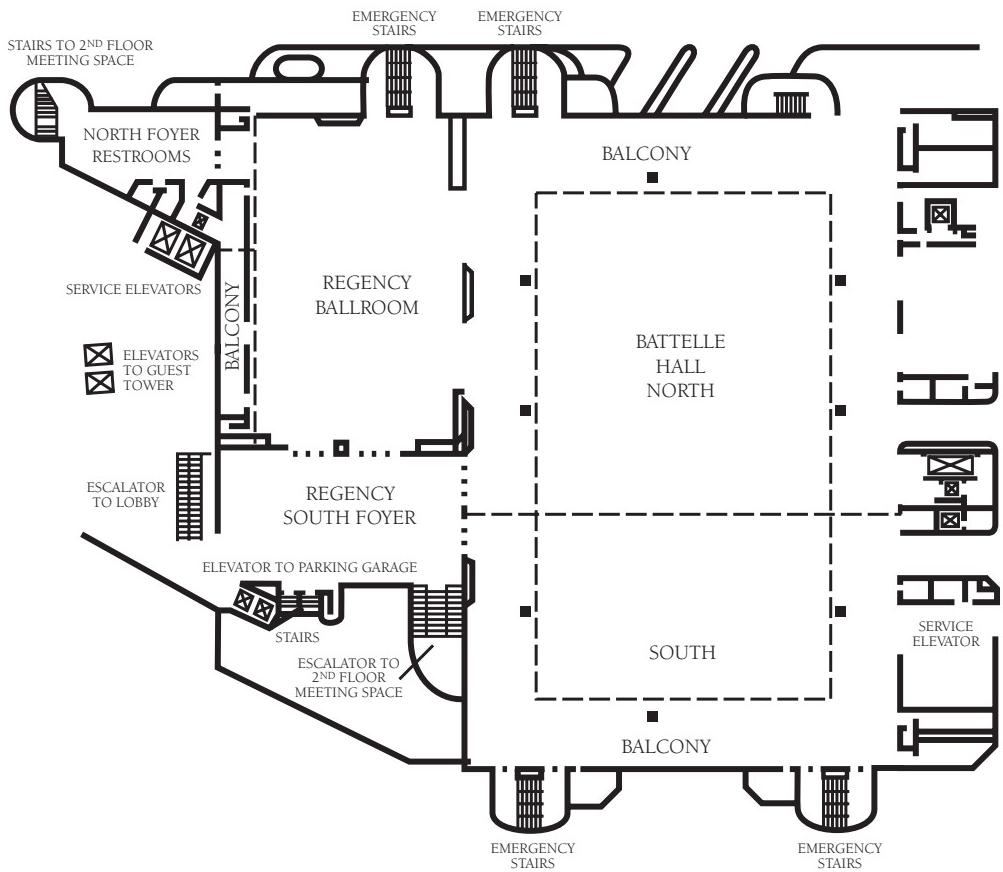


**GREATER COLUMBUS CONVENTION CENTER**

**BATTELLE HALL**

# *Hyatt Regency Columbus Floor Plan*

# REGENCY BALLROOM & BATTELLE HALL THIRD FLOOR



This map illustrates the layout of the Second Floor meeting rooms. The floor plan includes several rooms and common areas:

- FRANKLIN ROOM**: Contains sections A, B, C, and D.
- DELAWARE ROOM**: Contains sections A, B, C, and D.
- UNION ROOM**: Contains sections A, B, C, D, and E.
- MEETING SPACE**: Located between the Franklin and Union Rooms.
- PHONES**: Located near the entrance to the Union Room.
- MEETING CONCIERGE WINDOW**: Located in the Meeting Space.
- COUNTY FOYER**: A central area connecting the rooms.
- FAIRFIELD**, **MADISON**, and **FAYETTE**: Three rectangular rooms connected to the County Foyer.
- CLARK**, **CHAMPAIGN**, **KNOX**, **MARION**, and **MORROW**: Five smaller rooms located at the bottom of the floor plan.
- TO LOBBY AND MARKET STAND CAFE**: Indicated by a dashed arrow on the left side.
- NORTH DROP OFF**: Indicated by a dashed arrow at the top center.
- WALKWAY TO CONVENTION CENTER**: An arrow pointing upwards from the North Drop Off area.
- TO LOBBY AND BIG BAR ON 2**: Indicated by a dashed arrow at the bottom left.
- ELEVATOR TO PARKING GARAGE**: Indicated by a dashed arrow at the bottom center.
- THE LANDING**: Located at the bottom center, with an arrow pointing towards the Escalator to Food Court.
- ESCALATOR TO FOOD COURT**: Located at the bottom center.
- SERVICE ELEVATOR**: Located on the far left and right sides.

**MEETING ROOMS**  
**SECOND FLOOR**

# Conference Agenda

## MONDAY, AUGUST 28, 2006

8:00am -	Onsite Registration.....	Regency South Foyer
5:00pm		
12:00pm	Defense Supply Center Columbus (DSCC) Facility Tour <ul style="list-style-type: none"><li>• DSCC Briefing</li><li>• Command Suite</li><li>• Small Business Office</li><li>• Command and Control Center</li><li>• Test Lab</li></ul>	
	<i>If you are one of the 150 confirmed participants for the Facility Tour, please check in at the DSCC Tour registration area in the Regency South Foyer. Buses will depart from the Hyatt Regency Columbus.</i>	
4:00pm	Return to Hyatt Regency Columbus	
5:00pm	Exhibit Hall Opens	
5:00pm - 6:30pm	Opening Reception.....	Battelle Hall
6:30pm	Exhibit Hall Closes for the Evening	

## TUESDAY, AUGUST 29, 2006

6:45am - 6:00pm	Onsite Registration.....	Regency South Foyer
6:45am	Continental Breakfast.....	Regency South Foyer
7:45am	Welcome/Administrative Remarks.....	Regency Ballroom
	<b>Commander Clifford G. Scott, SC, USN</b>	
	Unit Chief, Electronics Division, Defense Supply Center Columbus	
7:55am	Posting of Colors <b>Joint Service Color Guard</b>	
8:00am	National Anthem <b>Ms. Lisa M. Griffin</b> Defense Supply Center Columbus	
8:05am	Opening Remarks <b>Rear Admiral Charlie M. Lilli, SC, USN</b> Commander, Defense Supply Center Columbus	

# Conference Agenda

8:15am	<b>Mr. Allan A. Banghart, SES</b> Director, Strategic Planning and Enterprise Transformation, J-5, Defense Logistics Agency “Transforming the Agency: Today’s Performance and Tomorrow’s Capabilities - A Glimpse Forward to DLA in the Post-BRAC Environment”
9:00am	<b>Mr. James M. McClaugherty, SES</b> Deputy Commander, Defense Supply Center Columbus “Land & Maritime Supply Chains...Today and Tomorrow”
9:45am	<b>Mr. Edmond L. Peters</b> Senior Vice President, Procurement and Business Development President, AM General Defense, LLC “Customer Pay”
10:00am	Exhibit Hall Opens
10:30am	Break.....Battelle Hall
10:30am - 4:30pm	Buyers and Administrators Networking Room.....Marion <i>The Marion Room will be available (excluding lunchtime) by appointment only for Suppliers to network with DSCC Buyers and Administrators.</i>
10:45am - 12:00pm	<b>BREAKOUT SESSION I</b> 1. DoD EMALL Demonstration/Overview.....Delaware A 2. Value Engineering Tools for Contractor Support.....Delaware B <ul style="list-style-type: none"><li>• Casting &amp; Forging</li><li>• Value Engineering Change Proposals</li><li>• Replenishment Parts Purchase or Borrow</li><li>• Sustaining Engineering</li></ul> 3. Procurement Systems and Supplier Interfaces.....Delaware C <ul style="list-style-type: none"><li>• DLA Internet Bid Board System (DIBBS)</li><li>• Automated Indefinite Delivery Orders (AIDO)</li><li>• Project Data Management Initiative (PDMI)</li><li>• Automated Best Value System (ABVS)</li></ul> 4. DLR - Depot Level Reparables (BRAC).....Delaware D 5. Radio Frequency Identification (RFID)/Packaging.....Franklin A 6. DSCC Small Business Program/Sourcing Initiatives.....Franklin B 7. Land Supply Chain.....Franklin C 8. Maritime Supply Chain.....Franklin D
12:00pm - 1:45pm	Lunch with Guest Speaker.....Regency Ballroom <b>Vice Admiral Justin D. McCarthy, SC, USN</b> Director for Material Readiness and Logistics (N4), Office of the Chief of Naval Operations, Washington, DC “Strategic Partnering to Sustain Fleet Readiness”

# Conference Agenda

1:45pm - 3:00pm	BREAKOUT SESSION II	
	1. DoD EMALL Demonstration/Overview.....	Delaware A
	2. Tire Commodity Management Privatization (BRAC).....	Delaware B
	3. Procurement Systems and Supplier Interfaces.....	Delaware C
	• DLA Internet Bid Board System (DIBBS)	
	• Automated Indefinite Delivery Orders (AIDO)	
	• Project Data Management Initiative (PDMI)	
	• Automated Best Value System (ABVS)	
	4. DLR - Depot Level Reparables (BRAC).....	Delaware D
	5. DFAS Your Financial Partner @ Work.....	Franklin A
	6. DSCL Small Business Program/Sourcing Initiatives.....	Franklin B
	7. Land Supply Chain.....	Franklin C
	8. Maritime Supply Chain.....	Franklin D
3:00pm	Break.....	Battelle Hall
3:15pm - 4:30pm	BREAKOUT SESSION III	
	1. DoD EMALL Demonstration/Overview.....	Delaware A
	2. Value Engineering Tools for Contractor Support:.....	Delaware B
	• Casting & Forging	
	• Value Engineering Change Proposals	
	• Replenishment Parts Purchase or Borrow	
	• Sustaining Engineering	
	3. Procurement Systems and Supplier Interfaces.....	Delaware C
	• DLA Internet Bid Board System (DIBBS)	
	• Automated Indefinite Delivery Orders (AIDO)	
	• Project Data Management Initiative (PDMI)	
	• Automated Best Value System (ABVS)	
	4. DLR - Depot Level Reparables (BRAC).....	Delaware D
	5. Radio Frequency Identification (RFID)/Packaging.....	Franklin A
	6. DSCL Small Business Program/Sourcing Initiatives.....	Franklin B
	7. Tire Commodity Management Privatization (BRAC).....	Franklin C
	8. DFAS Your Financial Partner @ Work.....	Franklin D
4:45pm - 5:30pm	Recognition for Excellence Award Ceremony.....	Regency Ballroom
5:30pm - 7:00pm	Reception.....	Battelle Hall
7:00pm	Conference Adjourns for the Day; Exhibit Hall Closes for the Day	

# Conference Agenda

## WEDNESDAY, AUGUST 30, 2006

6:45am - 3:30pm	Onsite Registration.....	Regency South Foyer
6:45am	Continental Breakfast.....	Regency South Foyer
7:45am - 4:00pm	Buyers and Administrators Networking Room..... <i>The Marion Room will be available (excluding lunchtime) by appointment only for Suppliers to network with DSCC Buyers and Administrators.</i>	Marion
7:45am	Administrative Remarks..... <b>Commander Clifford G. Scott, SC, USN</b> Unit Chief, Electronics Division, Defense Supply Center Columbus	Regency Ballroom
8:00am	Guest Speaker <b>Lieutenant General Richard S. Kramlich, USMC</b> Deputy Commandant, Installations and Logistics “Achieving Supply Responsiveness/Asset Visibility on the 21st Century Battlefield”	
8:30am	Exhibit Hall Opens	
9:00am - 10:15am	BREAKOUT SESSION I 1. DoD EMALL Demonstration/Overview..... 2. Value Engineering Tools for Contractor Support: • Casting & Forging • Value Engineering Change Proposals • Replenishment Parts Purchase or Borrow • Sustaining Engineering 3. Procurement Systems and Supplier Interfaces..... • DLA Internet Bid Board System (DIBBS) • Automated Indefinite Delivery Orders (AIDO) • Project Data Management Initiative (PDMI) • Automated Best Value System (ABVS) 4. Tire Commodity Management Privatization (BRAC)..... 5. Radio Frequency Identification (RFID)/Packaging..... 6. DFAS Your Financial Partner @ Work..... 7. Land Supply Chain..... 8. Maritime Supply Chain.....	Delaware A Delaware B Delaware C Delaware D Franklin A Franklin B Franklin C Franklin D
10:15am	Break.....	Battelle Hall

# Conference Agenda

10:45am - 12:00pm	BREAKOUT SESSION II 1. DoD EMALL Demonstration/Overview.....Delaware A 2. Value Engineering Tools for Contractor Support:.....Delaware B <ul style="list-style-type: none"><li>• Casting &amp; Forging</li><li>• Value Engineering Change Proposals</li><li>• Replenishment Parts Purchase or Borrow</li><li>• Sustaining Engineering</li></ul> 3. DSCC Small Business Program/Sourcing Initiatives.....Delaware C 4. DLR - Depot Level Reparables (BRAC).....Delaware D 5. Radio Frequency Identification (RFID)/Packaging.....Franklin A 6. DFAS Your Financial Partner @ Work.....Franklin B 7. Land Supply Chain.....Franklin C 8. Maritime Supply Chain.....Franklin D
12:00pm	Exhibit Hall Closes
12:10pm - 1:55pm	Lunch with Guest Speaker.....Regency Ballroom <b>Major General William M. Lenaers, USA</b> Commanding General, US Army TACOM “What Your Largest Customer Thinks”
1:55pm - 2:15pm	Remarks <b>Rear Admiral Charlie M. Lilli, SC, USN</b> Commander, Defense Supply Center Columbus
2:15pm - 3:30pm	“Meet the Leaders” <i>Moderator</i> <b>Mr. James M. McClaugherty, SES</b> Deputy Commander, Defense Supply Center Columbus
	<i>Participants</i> <b>Mr. Stephen E. Rodocker</b> Procurement Process Support Directorate, Defense Supply Center Columbus <b>Ms. Julie N. Van Schaik</b> Systems & Procedures Division, Defense Supply Center Columbus <b>Captain Griffin Warren, SC, USN</b> Maritime Supplier Operations, Defense Supply Center Columbus <b>Colonel Stephen G. Bianco, USA</b> Land Supplier Operations, Defense Supply Center Columbus <b>Ms. Eleanor G. Holland</b> Small Business Office, Defense Supply Center Columbus
	<i>The DSCC senior leadership will be available in the Regency Ballroom after the panel session to answer specific questions on a one-on-one basis.</i>
4:00pm	Conference Adjourns

# ***Breakout Workshop Session Descriptions***

## **DoD EMAIL DEMONSTRATION/OVERVIEW**

### **Mr. Howard (Tony) Griffin**

The DoD EMALL will be the DoD customer's first choice to search, find, compare and buy commercial and military products and services. Through the DoD EMALL, Defense Department and other federal government purchasers can access more than 15 million products from nearly 800 suppliers in a secure environment that allows cross-catalog shopping for best value selection of items needed on the job.

## **VALUE ENGINEERING TOOLS FOR CONTRACTOR SUPPORT**

### **Mr. Dwayne R. Porter**

### **Mr. Mark D. Cutler**

The Value Management Office strives to be a premier provider of support and services to our customer, the Warfighter, by continually seeking to improve its processes, skills, technology and relationships. The Value Management Office knows the DSCC customers are faced with a constantly changing environment and needs as they perform their job. It is the Value Management Office responsibility to assist the DSCC customers and provide them with the necessary equipment to succeed.

## **PROCUREMENT SYSTEMS AND SUPPLIER INTERFACES**

### **Ms. Julie N. Van Schaik**

### **Ms. Tara L. Dalley**

### **Mr. Michael J. Corelis**

### **Mr. Doug Griffith**

### **Mr. Alan C. Searfoss**

### **Mr. Todd Lewis**

### **Ms. Patrice M. Francis**

### **Ms. Pat McCreay**

### **Ms. Tammy L. Solt**

This workshop will consist of an overview of information covering Business Systems Modernization (BSM) Systems /Application. The presentation covers electronic initiatives, including the DLA Internet BidBoard System (DIBBS); the procurement Automated Contracting System; DLA's Pre-award Contracting System/Electronic Commerce; Internet Quoting; and email notification process.

## **TIRE COMMODITY MANAGEMENT PRIVATIZATION (BRAC)**

### **Mr. Matthew O. Geary**

The Defense Supply Center Columbus is implementing the 2005 Base Closure and Realignment Act (BRAC) recommendation on Tire Commodity Management Privatization, which will transform the manner that tires are supplied to the Department of Defense customers. The BRAC Tire Privatization Initiative is designed to achieve economies and efficiencies that enhance the effectiveness of logistics support to forces as they transition to more joint and expeditionary operations. This recommendation disestablishes the supply, storage and distribution functions for all tires used by the Department of Defense, retaining only the supply contracting functions for the tire commodity. DSCC will privatize these functions and will rely on private industry for the performance of supply, storage and distribution of these commodities.

## **LAND SUPPLY CHAIN**

### **Tiffany L. Givens-Barnett**

### **Denise D. Pennington**

The Defense Supply Center Columbus Land-Based Weapon Systems Group will provide an overview on the Vision, Mission & Functions of the Land Supply Chain & Detachments, Strategic Supply Chain Relationships and an emphasis on Contract Award & Contract Administration. Time is allotted for questions and answers.

# ***Breakout Workshop Session Descriptions***

## **DLR - DEPOT LEVEL REPARABLES (BRAC)**

### **Mr. Stephen E. Rodocker**

The 2005 Base Realignment and Closure (BRAC) Commission approved the Secretary of Defense recommendation to consolidate the Depot Level Reparables (DLR) procurement management and other related support functions from the Military Service components to the Defense Logistics Agency. The transition is scheduled to begin in FY 2008 and be completed no later than FY 2011. The planning and implementation recommendations are being developed by a Joint Service DLR Working Group comprised of senior DoD procurement officials and senior logisticians from all military components. The foundation of this transition is a Concept of Operations (CONOPS) which will guide the implementation and establish an overarching vision for the future. The myriad tasks associated with DLR procurement management are being developed and include workload planning and transition based on an incremental tiering approach, DLR procurement governance designed to facilitate joint DLR procurement opportunities, establishing Financial, Information Systems, Human Capital and Performance Management plans and establishing DLA buying Detachments in an "as-is, where-is" environment. Challenges abound, but the DLR Working Group is working jointly to identify, assess and mitigate the obstacles that could prevent a successful transition.

## **DFAS YOUR FINANCIAL PARTNER @ WORK**

### **Ms. Cheri Bundy**

### **Ms. Cassandra McDuff**

### **Ms. Michelle Woldt**

### **Mr. Don Gullet**

The staff of the Defense Finance and Accounting Service of Columbus, OH and the HQ Defense Contract Management Agency will present a briefing on current strategic initiatives designed to streamline the processing and completion of contract payments. Where used, WAWF virtually eliminates late payments and interest penalties. Vendors save time associated with mailing and processing documents through the Defense Finance and Accounting Service.

## **RADIO FREQUENCY IDENTIFICATION (RFID)/PACKAGING**

### **Ms. MaryAnn Wagner**

### **Mr. Hance L. Barnett**

### **Ms. Jeanie M. Beisner**

### **Ms. Deborah D. Thompson**

The Defense Supply Center Columbus (DSCC) Packaging Office and the Office of the Assistant Deputy Under Secretary of Defense (Supply Chain Integration) will provide information on military packaging and marking requirements for DLA shipments including the latest requirements for Radio Frequency Identification Technology (RFID) and the various types of tags and mandatory dates of mandatory implementation.

## **DSCC SMALL BUSINESS PROGRAM/SOURCING INITIATIVES**

### **Ms. Eleanor G. Holland**

### **Ms. Rebecca A. Parks**

### **Ms. Vikki C. Hawthorne**

The Defense Supply Center Columbus Small Business Center will present a briefing on the DSCC outreach initiatives designed to increase the sourcing of contracts to small businesses. Participants will gain knowledge about small business initiatives and gain insight in understanding the complexities of DSCC's procurements. Time is allotted for questions and answers.

## **MARITIME SUPPLY CHAIN**

### **Mr. Kenneth E. Rumbaugh**

### **Mr. Kreston L. Harris**

### **Mr. Mike Kuszmaul**

### **Mr. Roger Dixon**

### **Mr. Evan B. Baisden**

### **Ms. Linda K. Johnson**

### **Ms. Katelyn McCullough**

### **Mr. Jeff C. Dixius**

### **Mr. Larry Scarberry**

### **Mr. Matthew Ligato**

### **Ms. Kim Hansen**

### **Mr. Ernie Reid**

### **Ms. Linda McCarty**

The Defense Supply Center Maritime Weapon Systems Group will provide an overview on the Vision, Mission & Functions of the Maritime Supply Chain & Detachments, Strategic Supply Chain Relationships and an emphasis on Contract Award & Contract Administration. Time is allotted for questions and answers.

# **2005 Recognition for Excellence Award**

The Automated Best Value System (ABVS) is a computerized system, which collects a vendor's past performance data and translates it into a numeric score.

ABVS scores range from zero to a perfect score of 100. The Contracting Officer uses these scores as an additional evaluation factor when making best value award decisions.

The DSCC Center Score from the January 5, 2005 monthly update to the January 5, 2006 monthly update was used for selecting the DSCC 2005 Recognition for Excellence Awards. The criteria for this year's selections were:

LEVEL	CONTRACT LINES	CENTER SCORE
Gold	50+	100
Silver	50+	99.0 – 99.9
Bronze	50+	98.0 – 98.9

Vendors listed below are being recognized as Recognition for Excellence Award Winners due to their exceptional performance. (\* Denotes previous Award Winners.)

## **2005 RECOGNITION FOR EXCELLENCE GOLD AWARD WINNERS**

Aerol Co., Inc. *	Nartron Corporation *
Aurora Cord & Cable Company	Northrop Grumman Corporation, Integrated Systems Western Region, F/A-18 Program *
B. W. I. of KS, Inc.	Northrop Grumman Corporation, Integrated Systems Western Region, F-5/T-38 Program *
Connectronics, Inc.	Ontario Knife Company *
Dare Electronics, Inc. *	Pacific Coast Sales
Easter Seals Northwest Alabama *	Phaotron Instrument & Electronic Co., Inc. *
Eichenauer Services, Inc. *	Probe Master, Inc. *
Essex Cryogenics of MO, Inc. *	Sarnoff GEM Program
Falcon Aerospace, Inc.	Technology Research Corporation, Government Operations *
Flexco, Inc. *	UCOM, Inc. *
I Group Electronics	Voto Specialty Products *
ITT Aerospace Controls *	Work Services Corporation
JLG Industries, Inc. *	
KAMS Limited	
Lee Air Company, Inc. *	
Milton Industries, Inc. *	
MKT Technologies *	

# ***2005 Recognition for Excellence Award***

## **2005 RECOGNITION FOR EXCELLENCE SILVER AWARD WINNERS**

Aeroflex \*  
Aerospace Optics, Inc. \*  
Alfa Laval, Inc.\*  
Amtech Corporation  
Aviation Devices & Electronic Components, LLC  
Centroid, Inc. \*  
Coaxial Dynamics \*  
Communications & Ear Protection, Inc.  
Component Enterprises Company, Inc. \*  
David Clark Company, Inc. \*  
Detroit Switch, Inc. \*  
Dillon Aero, Inc.  
Dimo Corporation  
Environmental Systems, Inc. \*  
FIC Corporation \*  
Fluid-Air Products, Inc. \*

GA Pipe, Inc.\*  
Greenlees Filter, LLC \*  
HBD / Thermoid, Inc.  
Ideal Precision Meter, Inc.  
Insight Technology, Inc. \*  
L-3 Communications/Electrodynamics \*  
Lockheed Martin Aeronautics \*  
Mark Electronics, Inc. \*  
Microwave Filter Company, Inc.  
Midwest Tube Fabricators, Inc. \*  
Military Petroleum and Water Systems  
MMC Metrology Lab, Inc.  
OHMCO, LLC  
Raytheon \*  
State Electronics Parts Corporation \*  
TPS Aviation, Inc. \*

## **2005 RECOGNITION FOR EXCELLENCE BRONZE AWARD WINNERS**

Adelwiggins Group Transdigm, Inc. \*  
Aero Hardware & Supply, Inc. \*  
All Rite Distributing Co., Inc.  
Applied Industrial Technologies  
ATAP, Inc. \*  
Barker Microfarads, Inc.  
Barlo Equipment Corporation  
Brown Helicopter, Inc. \*  
CDK Mobile Systems, Inc. \*  
Comperipherals, Inc. \*  
Contract Fabrication and Design  
Dixie Air Parts Supply \*  
Dreamfind, Inc.  
Electronic Transformer Corporation  
Electronic Transformer Corporation \*  
Evans Tempcon, Inc.  
Gems Sensors, Inc.  
General Electric Company  
GMA Cover Corporation \*  
Hydraflow \*  
Imperial Wire & Cable Co., Inc. \*  
Iris Electronics Exchange, Inc. \*

King Nutronics Corporation  
Moog, Inc., Components Group \*  
New Yorker Electronics, Inc. Co.  
Nobles Manufacturing, Inc. \*  
Otis Products, Inc. \*  
PDI Ground Support System, Inc. \*  
R. E. Darling Co., Inc. \*  
Scioto Valve and Fitting Co.  
Seats, Inc.  
Shiloh Industries, Inc.  
SMRC Engineering, Inc.  
Standard Wire & Cable Co. \*  
Techni-Tool, Inc.  
Tiem Engineering Corporation  
Transtechology Corporation,  
    Breeze-Eastern Division  
Trevose Industrial Products, Inc. \*  
Triangle Electronics Group, Inc.  
Wärtsilä Lips, Inc. \*  
Webbco, Inc. \*  
Wilmington Instrument Co., Inc.  
Yaro Supply Company \*

# *Rear Admiral Charlie M. Lilli, SC, USN*

## **COMMANDER, DEFENSE SUPPLY CENTER COLUMBUS**

Rear Admiral Charlie M. Lilli, SC, USN, became Commander of Defense Supply Center Columbus in Columbus, OH on Aug 16, 2005.

As DSCC's Commander, Rear Admiral Lilli oversees an operating budget of \$2.8 billion. He also directs the functions of more than 2,500 associates involved in purchasing materiel, monitoring inventory levels, maintaining technical data and assuring quality conformance of more than 1.6 million spare and repair parts used by more than 24,000 military units and civilian federal agencies. DSCC had sales of \$2.8 billion in 2004 with procurements in excess of \$2.3 billion.



Rear Admiral Lilli came to DSCC from an assignment as Chief of Staff, Naval Supply Systems Command, Mechanicsburg, PA. Prior to that assignment, he served as Executive Assistant to Deputy, Chief of Naval Operations for Resources, Requirements and Assessment (OPNAV N8).

Rear Admiral Lilli has earned qualifications as a Surface Warfare Officer, Surface Warfare Supply Officer and Aviation Supply Officer. His tours afloat include assistant Supply Officer, USS California (CGN-36), and as Supply Officer in USS Kidd (DDG-993), USS Supply (AOE-6) and USS Essex (LHD-2).

Rear Admiral Lilli's assignments ashore include Commissary Store Officer, Branch Commissary Store Officer, NAS Oceana; Supply Management Inspector, Readiness Support Group, Norfolk; Supply Officer, Commander Destroyer Squadron Group 2; Director, Ships Systems and Planning and Operations Research, NAVICP Mechanicsburg; Deputy Commander, Supply Chain Management, Navy Supply Systems Command; Head Readiness Analyst, OPNAV N80; and Executive Assistant to Deputy, Chief of Naval Operations for Resources, Requirements and Assessment (OPNAV N8).

A native of East Stroudsburg, PA, Rear Admiral Lilli earned his Bachelor's Degree at Muhlenburg College, Allentown, PA and was commissioned in 1980 through the Officer Candidate School as an Ensign in the Navy Supply Corps. He received a Master's Degree in inventory management from the Naval Postgraduate School, Monterey, CA.

His personal awards include the Legion of Merit, the Meritorious Service Medal (fourth award), the Navy Commendation Medal (fifth award) and the Navy Achievement Award.

# **Mr. Allan A. Banghart, SES**

## **DIRECTOR, STRATEGIC PLANNING AND ENTERPRISE TRANSFORMATION, J-5, DEFENSE LOGISTICS AGENCY**

Mr. Allan A. Banghart is the Director, Strategic Planning and Enterprise Transformation, J-5, Defense Logistics Agency (DLA), Fort Belvoir, VA. He assumed these responsibilities in June 2002.

Mr. Banghart is responsible for leadership and coordination of the Agency's strategic transformation and modernization efforts. He provides corporate-level direction and focus to ensure DLA's wide-ranging systems, processes, organizational and personnel initiatives are developed and deployed to achieve the Agency's overarching strategic objectives. His duties also include strategic planning, policy development and maintaining open and productive dialogue with the Secretary of Defense staff, senior Military Service executives and top ranking corporate managers in private industry.



Mr. Banghart has 30-plus years experience involving a broad spectrum of Defense logistics and systems commands. Capstone assignments include the Joint Staff, the Secretary of Defense staff and Navy command level positions where he led strategic planning and corporate level policy development and deployed numerous logistics reengineering initiatives and systems transformations. His active duty military experience includes four sea duty tours in the Navy's nuclear power submarine community and shore duty assignments at Navy's Ordnance Inventory Control Point, a TRIDENT Submarine Refit Facility, a Fleet and Industrial Supply Center, the Navy Bureau of Personnel and two retail operations. While serving as Supply Officer, USS MCKEE (AS-41), he completed a wartime surge deployment to the Persian Gulf in support of Operation DESERT STORM, which included 84 days of combat.

While on active duty, he qualified in submarines and was awarded the Defense Superior Service Medal, the Meritorious Service Medal (three gold stars), the Navy Commendation Medal and various other personal, campaign and unit commendation awards. He transitioned from uniformed service in September 2001.

Mr. Banghart holds a Bachelor's Degree from the University of Washington and a Master of Business Administration Degree from Michigan State University and a Master of Science Degree from the Industrial College of the Armed Forces. He also completed post-graduate studies at the University of Washington, the US Naval War College and San Diego State University, as well as the University of Pittsburgh Executive Development Program.

# **Mr. James M. McClaugherty, SES**

## **DEPUTY COMMANDER, DEFENSE SUPPLY CENTER COLUMBUS**

James M. McClaugherty is the Deputy Commander of the Defense Supply Center, Columbus, OH. As the deputy, he is co-responsible for the operation of the one-square-mile military supply center. This includes the professional activities of DSCC's more than 2,500 associates. He is directly responsible for the center's inventory control point functions to include management of over 1.6 million spare and repair parts and an operating budget of \$2.8 billion. In 2004, the inventory control point's sales were \$2.8 billion and its procurements were in excess of \$2.3 billion. He became Deputy Commander in April 2003.



Born in Charleston, WV, Mr. McClaugherty grew up in Delaware and Connecticut and now resides in Westerville, OH. A retired Air Force Colonel with 30 years of military service, Mr. McClaugherty earned a Bachelor's Degree in History from Trinity College in Hartford, CT in 1970 and a Master's Degree in Logistics Management from the Air Force Institute of Technology at Wright-Patterson AFB, OH in 1979.

His 30-year career included an Air Staff tour at the Pentagon from 1983 to 1988 and the command of Johnston Atoll in the Pacific Ocean from 1989 to 1990. At the Air Force Logistics Center, Kelly Air Force Base, San Antonio, TX, Mr. McClaugherty was the Engine Division Chief from 1990 to 1992, the Director of Commodities from 1992 to 1993, the Director of Propulsion from 1993 to 1994 and the Single Manager for Propulsion from 1994 to 1995. He became the DSCC Director of Readiness and Business Operations from 1995 until his military retirement in 2000. For eight months in 1998, he was the acting Deputy Commander of DSCC.

After his retirement from the Air Force, Mr. McClaugherty accepted the civilian position of deputy director of DSCC's Readiness and Business Operations Office and in July 2002 became the office's civilian director. In this position, he was the principal staff advisor to the DSCC Commander and Deputy Commander on all aspects of Inventory Control Point plans and operations. He was delegated authority to monitor, oversee, evaluate and direct the efforts of principal staff elements and five major inventory control point directorates. He held this position until being named DSCC Deputy Commander in April 2003.

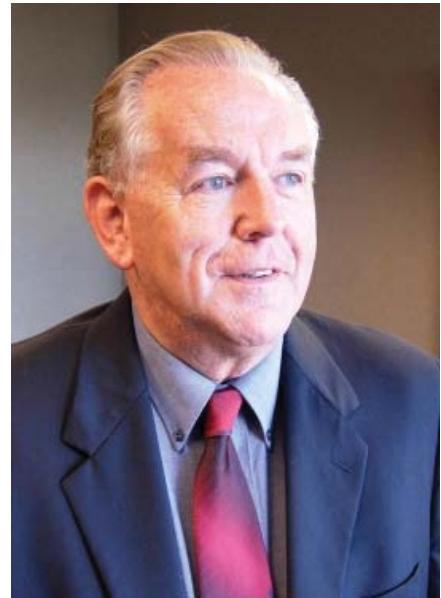
His military education includes attending Air Command & Staff College, Maxwell AFB, AL, 1983; Industrial College of the Armed Forces, Ft. McNair, DC, 1989; Defense Systems Management College, Ft. Belvoir, VA, 1993; Aspen Leadership Institute, Aspen, CO, 1997; and Leading Change & Organizational Renewal, Harvard Business School, May 2000. His civilian education includes attending the "Leadership for a Democratic Society" at the Federal Executive Institute in 2002.

His awards include two Defense Superior Service Medals, the Legion of Merit and the Airman's Medal for peacetime heroism, as well as the Exceptional Civilian Service Award.

# **Mr. Edmond L. Peters**

**SENIOR VICE PRESIDENT,  
PROCUREMENT AND BUSINESS DEVELOPMENT  
PRESIDENT, AM GENERAL DEFENSE,  
AM GENERAL, LLC**

In 2003, Edmond L. Peters was named President, AM General Defense, while maintaining his position as Senior Vice President, Procurement and Business Development for AM General, a title he has held since 1996. In these positions, he is responsible for international and domestic military contracts, purchasing and interface with congressional, government administrative and Department of Defense personnel. He also has responsibility for AM General's Service Parts and Logistics Operation.



In August 1999, Peters was named Chief Operating Officer of AM General's engine-manufacturing subsidiary, General Engine Products, Inc., headquartered in Franklin, OH.

Prior to his current appointment, Peters served from 1992 to 1996 as Vice President, Contracts and Purchasing. In this position, he was responsible for military contracts and materials. Before that, he was Director, Purchasing from 1988 to 1992. Peters came to AM General in 1985 as Regulatory Compliance Director.

Peters joined LTV Aerospace and Defense Company in 1984 as Contracts Manager in Dallas, TX before moving to AM General, at that time, LTV's vehicle manufacturing unit.

From 1966 to 1984, as a Department of the Air Force civilian employee, Peters held a variety of contracting and purchasing management positions. He was Chief, Contract Administration for the Air Force Plant Representative Office at General Dynamics in Fort Worth, TX from 1982 to 1984.

Peters holds a Bachelor's Degree in education from Central State University of Oklahoma and an MPA from the University of Oklahoma. A native of Oklahoma, Peters currently resides in Granger, IN.

AM General is the manufacturer of the High Mobility Multi-purpose Wheeled Vehicle (HMMWV, pronounced HUMVEE®) for US and overseas military services, as well as HUMMER® vehicles for the civilian marketplace. Headquartered in South Bend, IN, AM General is the world leader in the design, engineering and production of military and special purpose vehicles with a history of more than 50 years of experience.

*HUMVEE is a registered trademark of AM General, LLC  
HUMMER is a registered trademark of General Motors Corporation*

# **Vice Admiral Justin D. McCarthy, SC, USN**

## **SUPPLY CORPS DIRECTOR, MATERIAL READINESS AND LOGISTICS (N4) OPNAV STAFF**

Vice Admiral Justin D. McCarthy became Director, Material Readiness and Logistics in August 2004. As such, he is responsible for the strategic planning for all Navy Fleet readiness and logistics programs.

A native of Auburn Hills, MI, Vice Admiral McCarthy earned his commission through Officer Candidate School, Newport, RI in October 1969. He holds a Bachelor of Science degree in Engineering from Oakland University and is a distinguished graduate of the Naval Postgraduate School, where he earned a Master of Science degree in Management with subspecialties in financial management, weapon system acquisition management and materiel management. He is also a distinguished graduate of the Naval War College and a graduate of the University of Michigan Executive Education Program.



Vice Admiral McCarthy has served in a variety of sea and shore duty assignments providing him extensive logistics and financial management experience. At sea, his assignments have included Assistant Supply Officer, USS Holland (AS 32); Supply Officer, USS Newport (LST 1179); Supply Officer, USS New Orleans (LPH 11); and Recommissioning Supply Officer, USS Missouri (BB 63). Ashore, his assignments have included duty as Planning Officer, Naval Supply Center, Pearl Harbor; Special Assistant to the Stock Control Director, Navy Ships Parts Control Center; Executive Assistant to the Commander, Naval Supply Systems Command; Comptroller, Naval Surface Force, US Pacific Fleet; Head, Spares Program and Policy Branch on the staff of the Deputy Chief of Naval Operations for Logistics; Commanding Officer, Navy Supply Corps School; and Comptroller, Defense Logistics Agency.

Since his promotion to flag rank in November 1996, Vice Admiral McCarthy has served as Deputy Director for Material Management, Defense Logistics Agency; Deputy Chief of Staff for Logistics, Fleet Supply and Ordnance, US Pacific Fleet; and as Commander, Naval Supply Systems Command and 42nd Chief of Supply Corps.

Vice Admiral McCarthy's personal decorations include the Defense Distinguished Service Medal, Navy Distinguished Service Medal, Legion of Merit (four awards) and the Meritorious Service Medal (two awards). He is a qualified Surface Warfare Supply Corps Officer, a member of the Navy Acquisition Professional Community and a Certified Government Financial Manager.

# ***Lieutenant General Richard S. Kramlich, USMC***

## **DEPUTY COMMANDANT, INSTALLATIONS AND LOGISTICS, HEADQUARTER MARINE CORPS**

Lieutenant General Richard S. Kramlich is currently serving as the Deputy Commandant for Installations and Logistics, Headquarter Marine Corps, Washington, DC.

Lieutenant General Kramlich received his Marine Corps commission in June 1973 following graduation from the United States Naval Academy, where he earned a Bachelor of Science degree while majoring in Operations Analysis.

In June 1974, after completing The Basic School and Ground Supply Officers School, he was assigned to the 3d Marine Aircraft Wing. During this tour, he was in charge of supply accounts at Marine Aircraft Group-13 and Marine Wing Support Group-37. He was subsequently ordered to Okinawa in 1976 where he was the unit supply officer for 3d Combat Engineer Battalion, 3d Marine Division.

After transferring back to the States, he attended the Naval Postgraduate School in Monterey, CA, and graduated in March 1979 with a Master of Science Degree in Material Management. His follow-on tour was as an instructor of economics at the US Naval Academy. Returning overseas in June 1982, he served with the 3d Supply Battalion, 3d Force Service Support Group as the Officer-in-Charge, General Account, Supply Management Unit (SMU).

Upon his return in 1983, Lieutenant General Kramlich was assigned to Headquarters, Marine Corps where he was a project officer in the Material Management and Policy Branch of Installations and Logistics. Subsequent to that tour, he was ordered to the Marine Corps Command and Staff College and graduated in June 1988.

His next assignment was to the 2d FSSG where he was the S-3 Officer of 2d Supply Battalion and later the Officer-in-Charge, Supply Management Unit. In December 1990, he deployed to Saudi Arabia where he was the Officer-in-Charge, SMU for the 1st FSSG during Operation Desert Shield/Desert Storm. He returned in June 1991 to attend the Marine Corps War College, and following graduation, served on the faculty of the Command and Staff College. In July 1994, he transferred back to the 2d FSSG and served as the Deputy G-3 prior to taking command of 2d Maintenance Battalion in December 1994. Upon completion of that tour in June 1996, he was assigned to the Group staff as the Assistant Chief of Staff, G-3. In June 1998, he executed orders to the US Central Command to serve as the Deputy Director for Logistics and Security Assistance. In April 2000, he took command of Marine Corps Logistics Bases, Albany, GA and was promoted to Brigadier General on 1 October 2000. He was reassigned June 2003, assuming command of 1st Force Service Support Group and deployed that organization in March 2004 with I Marine Expeditionary Force in support of Operation Iraqi Freedom II.

After relinquishing command in August 2005, Lieutenant General Kramlich was transferred to Headquarters Marine Corps where he assumed duties as the Deputy Commandant of Installations and Logistics.

Lieutenant General Kramlich's personal decorations include the Defense Superior Service Medal, the Legion of Merit, Bronze Star Medal, the Meritorious Service Medal, with gold star in lieu of second award and the Navy and Marine Corps Commendation Medal.



# **Major General William (Mike) Lenaers, USA**

## **COMMANDING GENERAL, US ARMY TACOM, LIFE CYCLE MANAGEMENT COMMAND**

Major General Mike Lenaers assumed command of the US Army TACOM Life Cycle Management Command on 28 September 2004. Prior to this assignment, he served as the 32d Chief of Ordnance at Aberdeen Proving Ground, MD. He has commanded at every level from company through Corps Support Command. His extensive experience in supporting the Army's combat units, combined with his command of the Armament Research, Development and Engineer Command have made him a strong advocate for the combat units and the need for agile and responsive support across the complete life cycle of TACOM systems.



Major General Lenaers received an ROTC commission upon graduation from the University of Santa Clara with a Bachelor of Science Degree in Chemistry. He also holds a Master of Science Degree in Oceanography from Oregon State University. His military education includes the Command and General Staff College and the Army War College.

Major General Lenaers' previous assignments include serving as the Technical Supply Officer and Shop Officer for the 699th Maintenance Company, 85th Maintenance Battalion, in Hanau, Germany; Aide-de-Camp to the Commander of the 3d Support Command (Corps) in Frankfurt, Germany; Transportation and Maintenance Officer for the Naval Support Force Antarctica at McMurdo Station, Antarctica; Commander of the 190th Maintenance Company, Armor Support Battalion, at Fort Hood, TX; Associate Professor of Chemistry at the United States Military Academy; Chief of the Plans Branch for the Assistant Chief of Staff for Logistics, 21st Support Command in Kaiserslautern, Germany; Commander of the 707th Main Support Battalion, 7th Infantry Division, at Fort Ord, CA; Commander of the 1st Infantry Division Support Command, at Fort Riley, KS; Commander, Armament Research Development and Engineering Center, at Picatinny Arsenal, NJ; Commander, 13th Corps Support Command, Fort Hood, TX; three separate assignments as a General Staff Officer for the G4 at Headquarters, Department of the Army; and as the Deputy Chief of Staff for Ammunition, Headquarters, Army Materiel Command.

Major General Lenaers' awards include the Army Distinguished Service Medal, the Legion of Merit with three Oak Leaf Clusters, the Meritorious Service Medal with four Oak Leaf Clusters, the Army Commendation Medal, the Navy Commendation Medal, the Army Achievement Medal, the National Defense Service Medal and the Antarctic Service Medal.

He and his wife, Lorel, are natives of the San Francisco Bay Area. They have one daughter, Nicole, who resides in Denver, CO.

# ***Conference Promotional Partner***

## **PWC LOGISTICS**

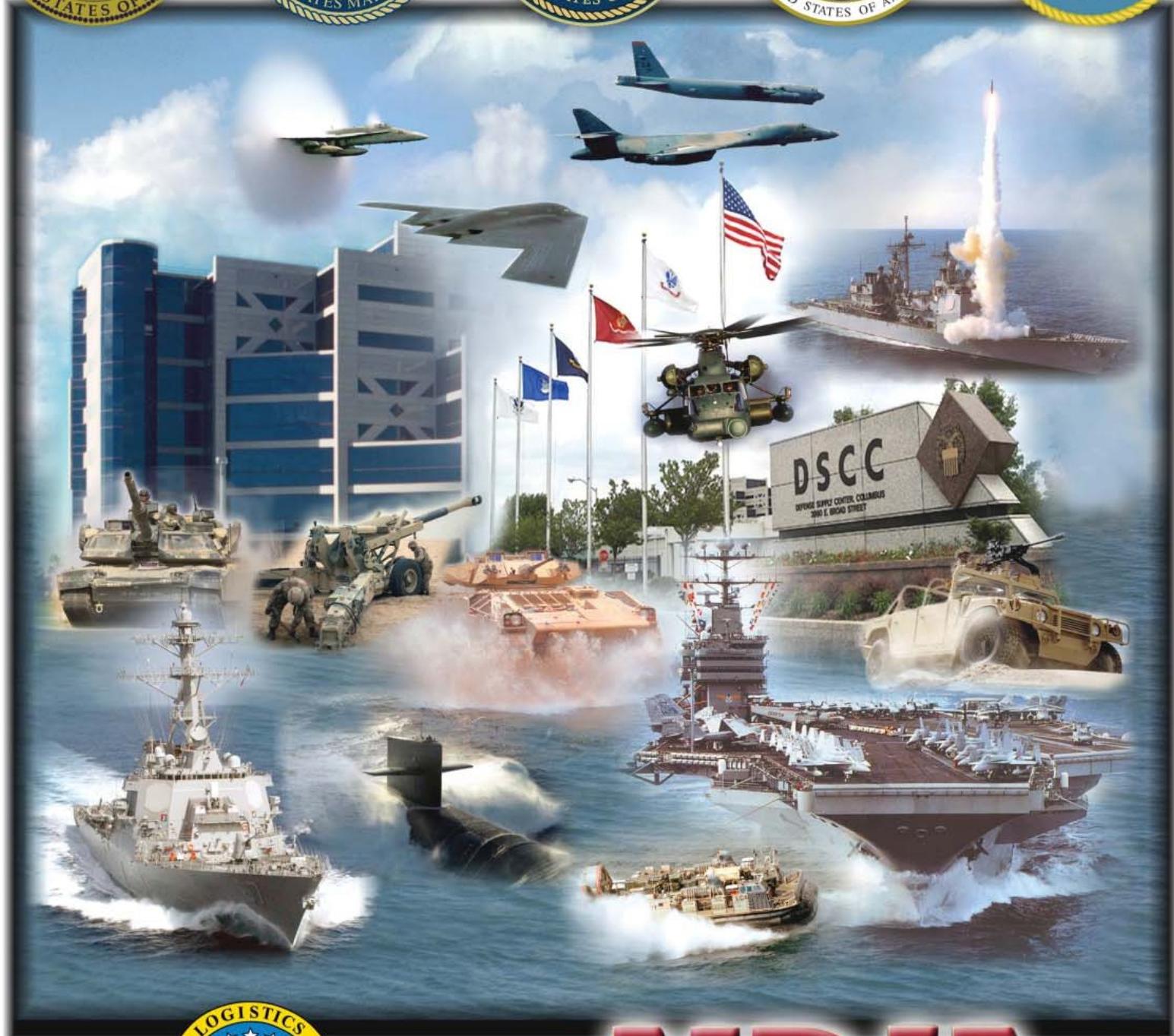
PWC Logistics is a global provider of end-to-end supply chain solutions, with more than 450 offices located in over one hundred countries spread across six continents. Through its network of warehousing facilities and transportation and freight management services, PWC provides its customers with flexible solutions tailored to meet their business needs. PWC's customers span a wide range of industries, including apparel and footwear, automotive, consumer and industrial electronics, consumer packaged goods, engineering and construction, events and entertainment, food and grocery, government and military, healthcare and pharmaceutical and oil and petrochemicals.

Throughout the Middle East, PWC operates a network of warehousing facilities and a fleet of over 3,000 transportation and distribution vehicles. In the Far East, PWC's subsidiary, Trans-Link Group, offers specialized logistics services, including exhibition and event logistics, e-fulfilment and project forwarding. Globally, PWC's Transoceanic Shipping provides project logistics solutions tailored to the construction, mining, and oil and gas industries. And, PWC's GeoLogistics Corporation offers global freight management.

PWC Logistics is a publicly traded company listed on the Kuwait Stock Exchange, ticker symbol WARE. For more information about PWC Logistics and its subsidiaries, please visit [www.pwclogistics.com](http://www.pwclogistics.com).

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DEFENSE SUPPLY CENTER COLUMBUS

**NDA**  
NATIONAL DEFENSE INDUSTRIAL ASSOCIATION  
**NDIA**  
STRENGTH THROUGH INDUSTRY & TECHNOLOGY



# Land & Maritime Supply Chains Business Conference



## Base Realignment And Closure – BRAC 2005 *What Does It Mean for DLA?*

Allan Banghart  
Director, Enterprise Transformation  
29 August, 2006



# BRAC 2005

## *What Does it Mean for DLA*

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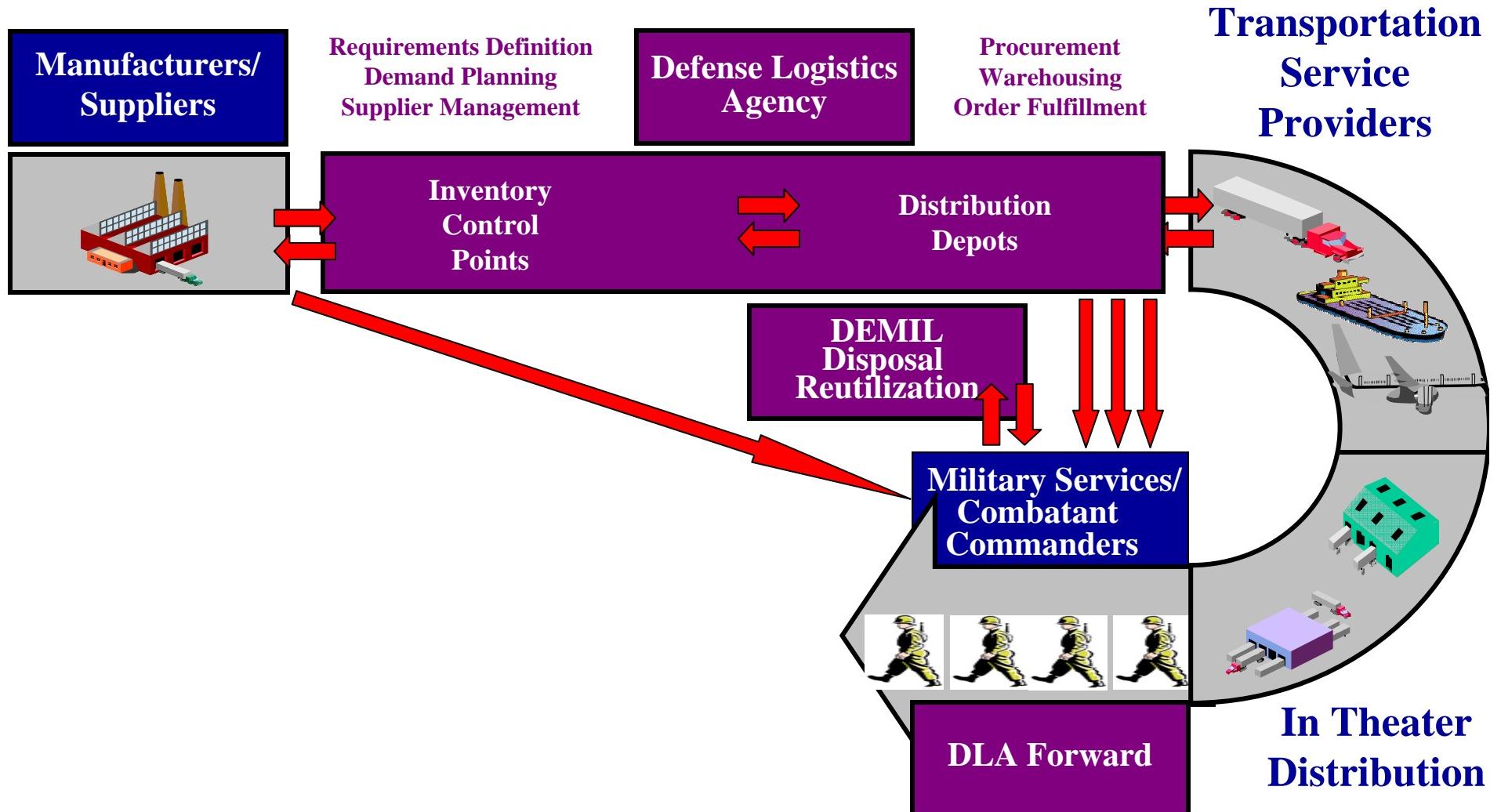
- **Background**
- **The Decisions**
  - **DLR Procurement Management**
  - **Consumable Item Transfer**
  - **Strategic Distribution**
  - **Maintenance Depot Supply, Storage & Distribution**
  - **Commodity Management Privatization**
- **In Closing**

A large, semi-transparent American flag serves as the background for the slide. The stars are visible in the upper left corner, and the red, white, and blue stripes are visible across the rest of the frame. In the bottom foreground, there is a dark, silhouetted group of people.

# Background



# Platform and Troop Support Supply Chains





# DLA Enterprise

FY01 Sales/Services:	\$17B
FY02 Sales/Services:	\$21.5B
FY03 Sales/Services:	\$25B
FY04 Sales/Services:	\$28B
FY05 Sales/Services:	\$31.8B
FY06 Projection:	\$35.0B

- Land/Maritime: \$3.0B
- Aviation: \$3.3B
- Troop Support: \$12.3B
- Energy: \$12.9B
- Distribution: \$2.2B
- Other: \$1.3B
- ~95% of Services' repair parts
- 100% of Services' subsistence, fuels, medical, clothing & textile, construction & barrier materiel

## Foreign Military Sales

- Sales: \$1.18B
- Shipments: 535K
- Supporting 124 Nations

## Scope of Business

- 54,000 Requisitions/Day
- 8,200 Contracts/Day
- #58 Fortune 500 – Above Sprint Nextel
- #2 in Top 50 Distribution Warehouses
- 26 Distribution Depots
- 5.2 Million Items – eight supply chains
- 25M Annual Receipts and Issues
- 1411 Weapon Systems Supported
- 132.8M Barrels Fuel Sold
- \$14.6B Annual Reutilizations/Disposals

## People

- 20,805 Civilians
- 519 Active Duty Military
- 754 Reserve Military
- Located in 48 States/28 Countries



## BRAC Basics

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- BRAC process designed to drive efficiencies – infrastructure business model enhancements
- BRAC decisions are statute
- Must complete by 30 September 2011
- Tiered-spiral deployment approach
- CONOPS evolving
- Normal joint dynamics



# Tenets

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- Readiness
- Rationalize the end-to-end DoD enterprise business model
- Execute the decisions
- Achieve the savings

A large, semi-transparent American flag serves as the background for the title. The stars are visible in the upper left, and the red and white stripes are prominent across the middle and lower sections.

# **Depot Level Reparables Procurement Management Decision**



# Depot Level Reparables Procurement Management Decision

## The Decision

*...realigns or relocates the procurement management and related support functions for the procurement of depot-level reparables to the Defense Logistics Agency....*



# Depot Level Reparables Procurement Management Decision

---

## End State

A single, integrated DLR and Consumable Item procurement management provider supporting all Service requirements by FY '11

- A single face to industry for all “aftermarket” DLR and consumables procurement
- Commercial partners maintaining a single procurement management strategic partnership
- DoD fully leveraging its DLR and consumable buying power



# Depot Level Reparables Procurement Management Decision

## End State Issue

- End-state business model
  - One procurement service provider for DoD, or more?
  - Statute does not direct the transfer of DLR procurement management functions other than new DLRs
  - Navy committed to a single procurement management solution outside BRAC, ...
  - Extent of leverage – industry's interface(s)?

A large, semi-transparent American flag serves as the background for the title. The stars are visible in the upper left, and the red and white stripes are prominent across the middle and lower sections.

# Consumable Item Transfer Decision



# Consumable Item Transfer Decision

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## The Decision

*...Services relocate consumable item budgeting/funding, contracting, cataloging, requisition processing, customer services, item management, stock control, weapon system secondary item support, requirements determination and integrated materiel management technical support Inventory Control Point function to the Defense Logistics Agency ...*



# Consumable Item Transfer Decision

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## End State

A single, integrated consumable items manager supporting all Services' requirements by FY '11 excluding:

- Design unstable
- One Time Fabricated/Reclaimed
- One-Time Mods/Conv/Alterations
- Communications/SIGINT
- Non-Ordnance Nuclear
- Level I/SUBSAFE
- Special Waivers



# Consumable Item Transfer Decision

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## End State Issue

- ~300,000 of Department's ~5,600,000 consumable items will continue to be managed by Services
- All others will transition to DLA

A large, semi-transparent American flag serves as the background for the title. The stars are visible in the upper left, and the red and white stripes are prominent across the middle and lower sections.

# Strategic Distribution Decision



# Strategic Distribution Decision

## The Decision

*...Warner Robins and Oklahoma City Distribution Depots (DD) designated Strategic Distribution Platforms (SDP) – mirror existing SDPs' functionality*

*Columbus DD closed*

*Remaining DDs, except Red River, designated Forward Distribution Points (FDPs) – retaining minimum necessary supply, storage and distribution functions to support co-located depot and intermediate level maintenance activities ...*

*Red River remains a Distribution Depot*



# Strategic Distribution Decision

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## End State

- **Four Strategic Distribution Platforms**
  - Primary support for regional customers – at home and deployed
  - Primary replenishment source for regions' FDPs
- **Forward Distribution Points**
  - A single manager of storage and distribution
  - A single storage and distribution infrastructure



# Strategic Distribution Decision

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## End State Issues

- Re-balancing of wholesale inventories
- Physical distribution consolidation at bases with DLA Distribution Depots

A large, semi-transparent American flag serves as the background for the title. The stars are visible in the upper left, and the red and white stripes are prominent across the center and right side.

# **Maintenance Depot Supply, Storage and Distribution Decision**



# Maintenance Depot Supply, Storage & Distribution Decision

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## The Decision

*...Realign bases by consolidating the supply, storage and distribution functions and associated inventories of the local DD with all other supply, storage and distribution functions and inventories that exist at the bases and support the co-located maintenance depot's operations, maintenance and production ...*



# Maintenance Depot Supply, Storage & Distribution Decision

## End State

A single, integrated supply, storage and distribution provider supporting all Services' maintenance depot requirements to the point of materiel hand-off to the artisan by FY '11

- Single maintenance depot logistics support provider
- A single inventory level
- However, tailored inventory/delivery strategies
- Single maintenance depot supply, storage and distribution infrastructure



# Maintenance Depot Supply, Storage & Distribution Decision

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## Key End State Issues

- Agency now in retail supply operations
- End state business model
  - One supply, storage, and distribution provider or more at each depot
  - Maintenance depot production-DLA seams

A large, semi-transparent American flag serves as the background for the title. The stars are visible in the upper left, and the red and white stripes are prominent across the center and right side.

# **Commodity Management Privatization Decision**



# Commodity Management Privatization Decision

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## The Decision

*...realign tires, packaged petroleum products and compressed gasses supply contracting functions from the military Service provider to DSCR and DSCC. Disestablish all other supply, storage and distribution functions for these commodities ...*



# Commodity Management Privatization Decision

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## End State

**Prime Vendor arrangements satisfying all supply,  
storage, distribution and disposal requirements  
for tires, packaged petroleum products, oils,  
lubricants and compressed gasses**



# Commodity Management Privatization Decision

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## End State Issue

- Agency taking another step in becoming a manager of supply chains – rather than managing supplies
- Opportunities for commercial partners



# In Conclusion



# DLA Enterprise

FY01 Sales/Services:	\$17B
FY02 Sales/Services:	\$21.5B
FY03 Sales/Services:	\$25B
FY04 Sales/Services:	\$28B
FY05 Sales/Services:	\$31.8B
FY06 Projection:	\$35.0B

- Land/Maritime: \$3.0B
- Aviation: \$3.3B
- Troop Support: \$12.3B
- Energy: \$12.9B
- Distribution: \$2.2B
- Other: \$1.3B
- ~95% of Services' repair parts
- 100% of Services' subsistence, fuels, medical, clothing & textile, construction & barrier materiel

## Foreign Military Sales

- Sales: \$1.18B
- Shipments: 535K
- Supporting 124 Nations

## Scope of Business

- 54,000 Requisitions/Day
- 8,200 Contracts/Day
- #58 Fortune 500 – Above Sprint Nextel
- #2 in Top 50 Distribution Warehouses
- 26 Distribution Depots
- 5.2 Million Items – eight supply chains
- 25M Annual Receipts and Issues
- 1411 Weapon Systems Supported
- 132.8M Barrels Fuel Sold
- \$14.6B Annual Reutilizations/Disposals

## People

- 20,805 Civilians
- 519 Active Duty Military
- 754 Reserve Military
- Located in 48 States/28 Countries



## In Conclusion

---

*Big change, big challenges,  
big opportunities for the Agency and the  
Department*

### **Focus is on the tenets**

- Readiness first
- Rationalize the end-to-end logistics Defense Department business model
  - Execute the decisions
  - Achieve the savings



---

# **Base Realignment & Closure 2005 – Depot Level Reparable (DLR) Procurement Management Consolidation**

**Stephen Rodocker**  
Pillar Lead,  
DLR Procurement Management



# Overview



- Depot Level Reparable Procurement Management
  - Base Realignment & Closure (BRAC) Decision
  - Organizing for Transition
  - Impact of the Change
  - New Supply Chain Alignment
  - Making the Transition
  - DLR Numbers
  - Schedule for Implementation



# Top Five Priorities

- Mission –
  - *Support to the War Fighter*
  - *Distribution Process Owner*
- Transformation –
  - *Enhanced Capabilities for the Future War Fighter*
- People –
  - *Transforming Our Human Capital and the Workplace*
- Alignment –
  - *To War Fighters...To Supply Chains*
- One Enterprise –
  - *Seamless Partnering for War Fighter Logistics Support*

***BRAC – The Agency's  
13<sup>th</sup> Transformation Initiative***



# DLR Procurement Management Consolidation



## The Decision

- *...realigns or relocates the procurement management and related support functions for the procurement of depot-level reparables (DLR) to the Defense Logistics Agency....*

## Post-BRAC Business Model

- A single, integrated DLR and Consumable Item procurement management provider
- Supporting all Service requirements by FY 11:
  - A single face to industry for all DLR and consumables procurement
  - DoD fully leveraging its DLR and consumable buying power
  - Commercial partners maintaining a single procurement management strategic partnership

Saves DOD \$1.9B by Leveraging all Procurement Buys  
and Managing them within a Single Agency!



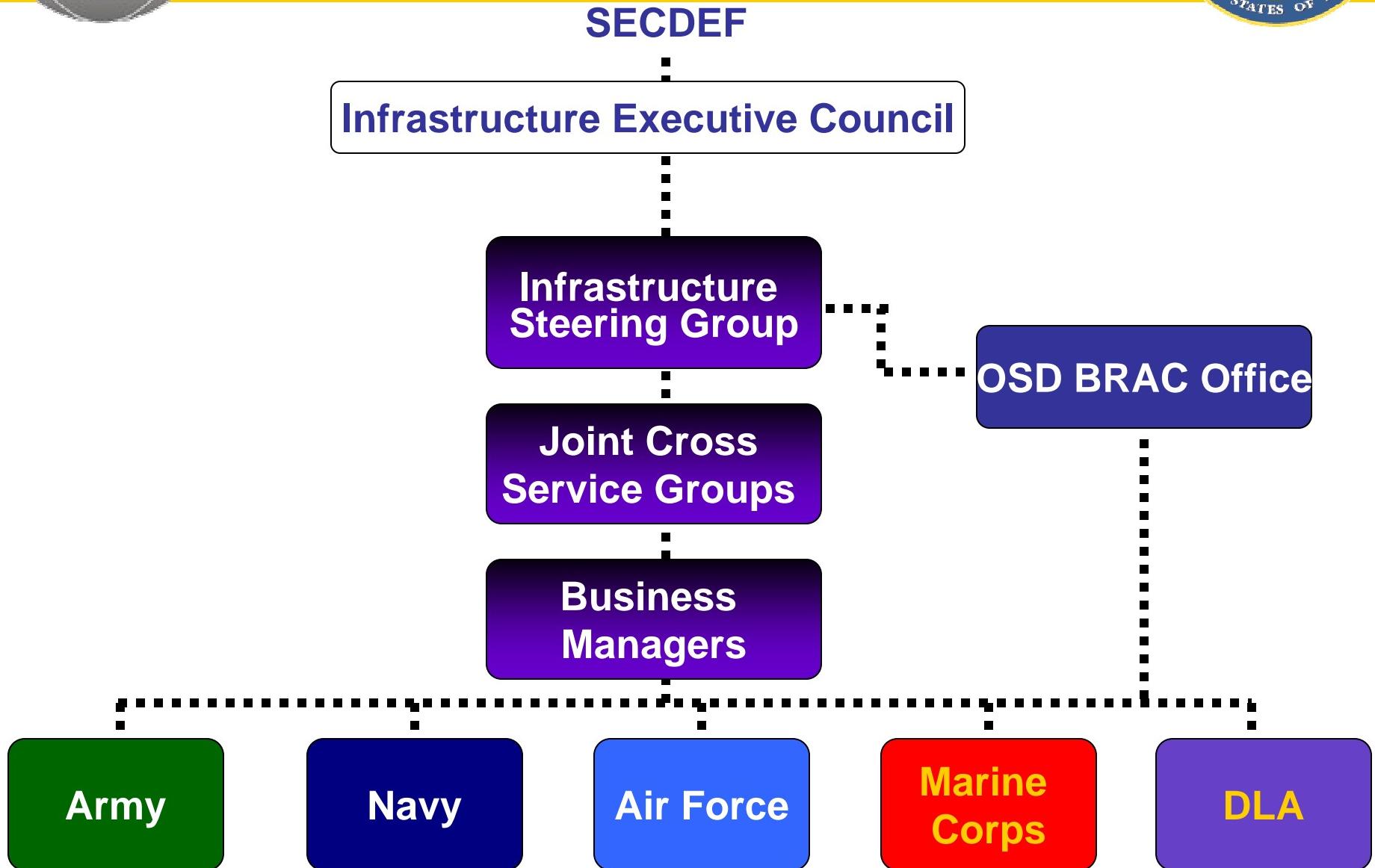
# Transformational Change Consolidate Procurement of DLRs



- Disestablishes Three Service Inventory Control Points (ICPs) through Consolidation
  - FT Monmouth, Ft Huachuca, Rock Island
  - Establishes Aberdeen as a New ICP Site
- Keeps Engineering Functions with Components
- Realigns Procurement Management Responsibility of Class IX Depot Level Reparables to DLA
- Achieves Savings Through
  - Reduced Inventory Investment
  - Leveraging Larger Purchases
  - Increased use of Performance Based Agreements (PBA)

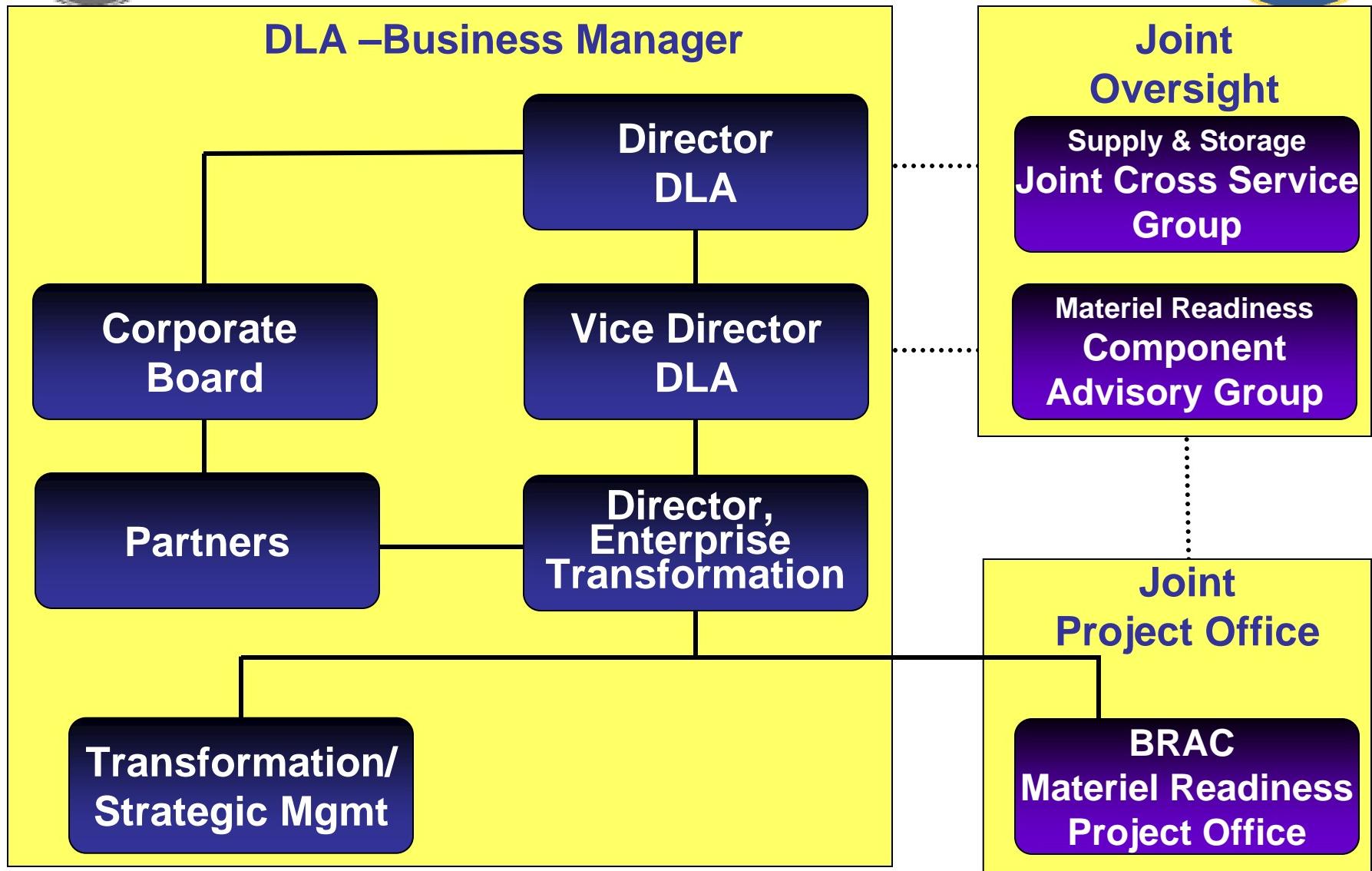


# BRAC 2005 Governance



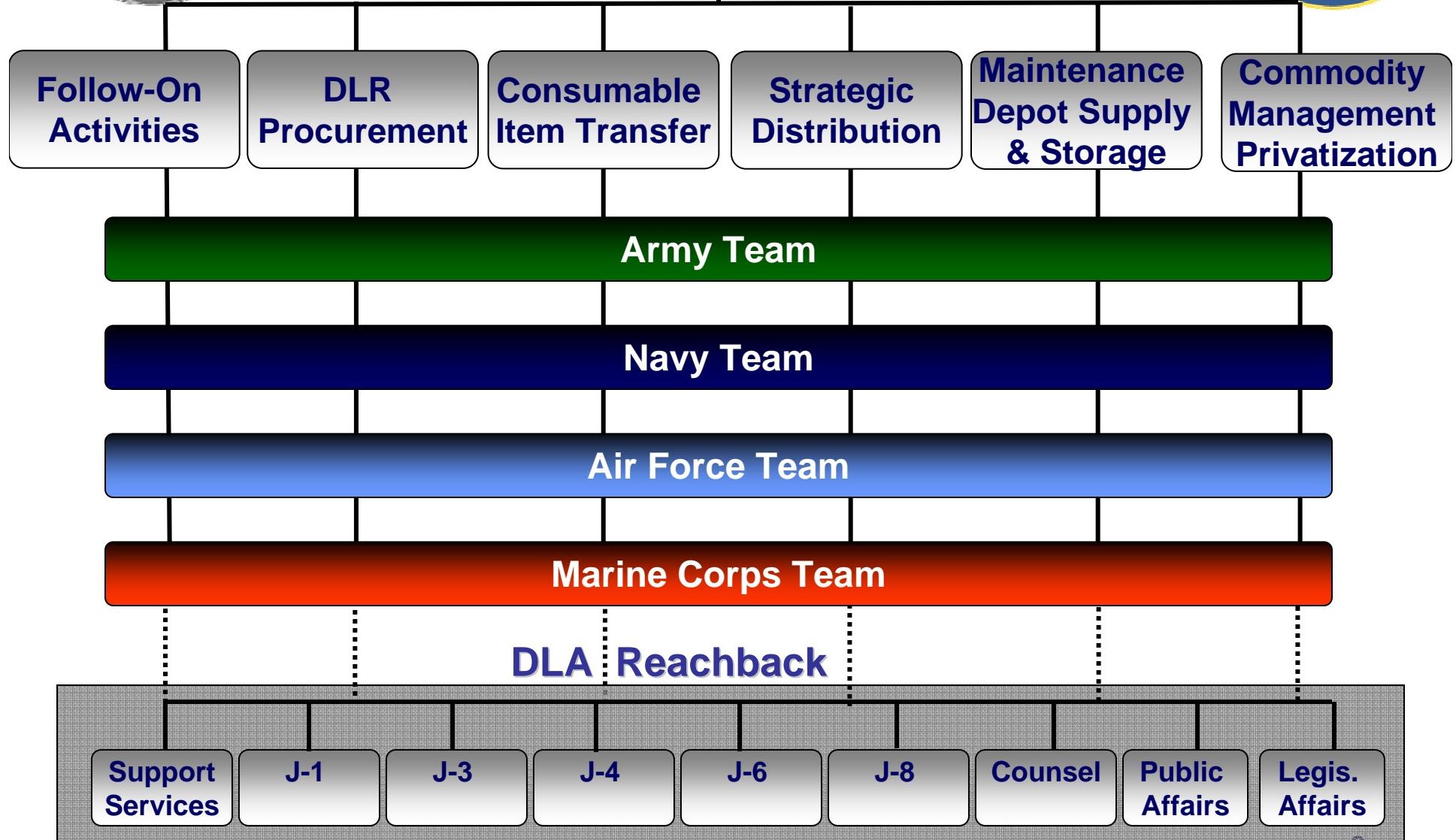


# Governance





# BRAC Materiel Readiness Project Office

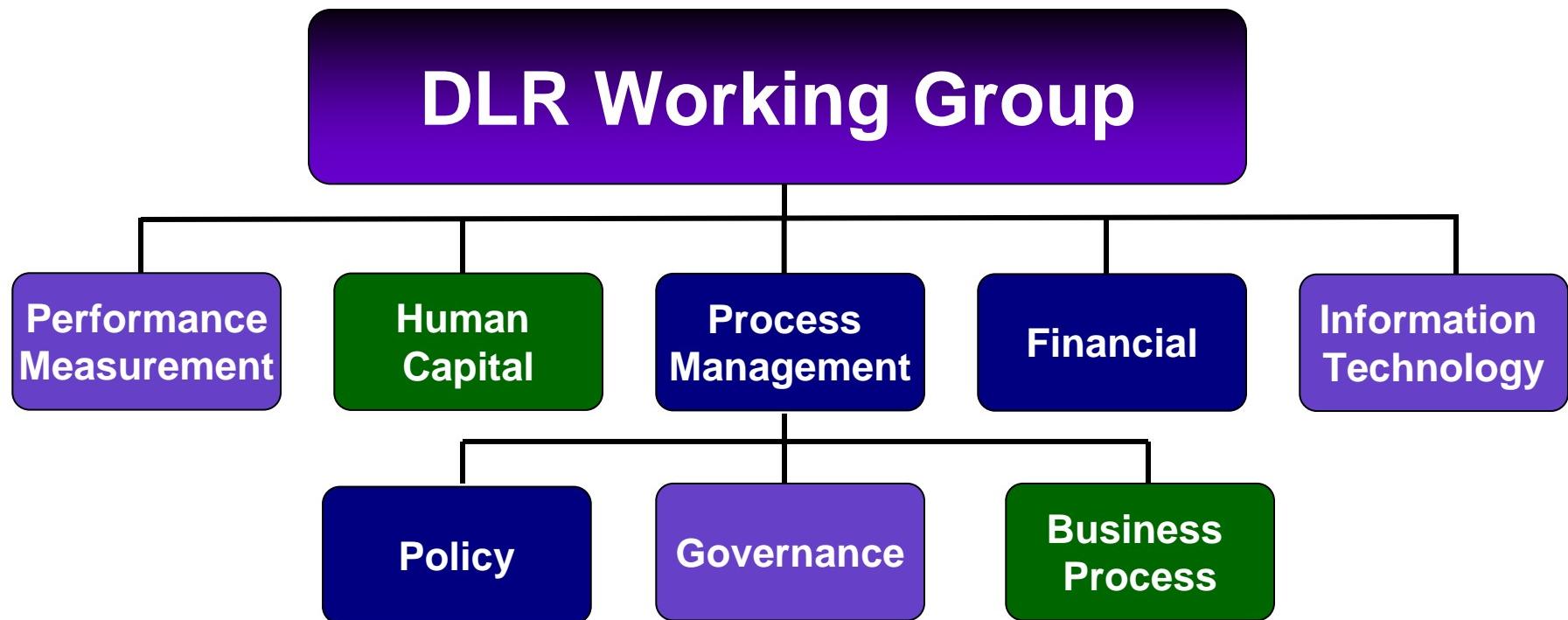




# DLR Working Group Goal & Organization

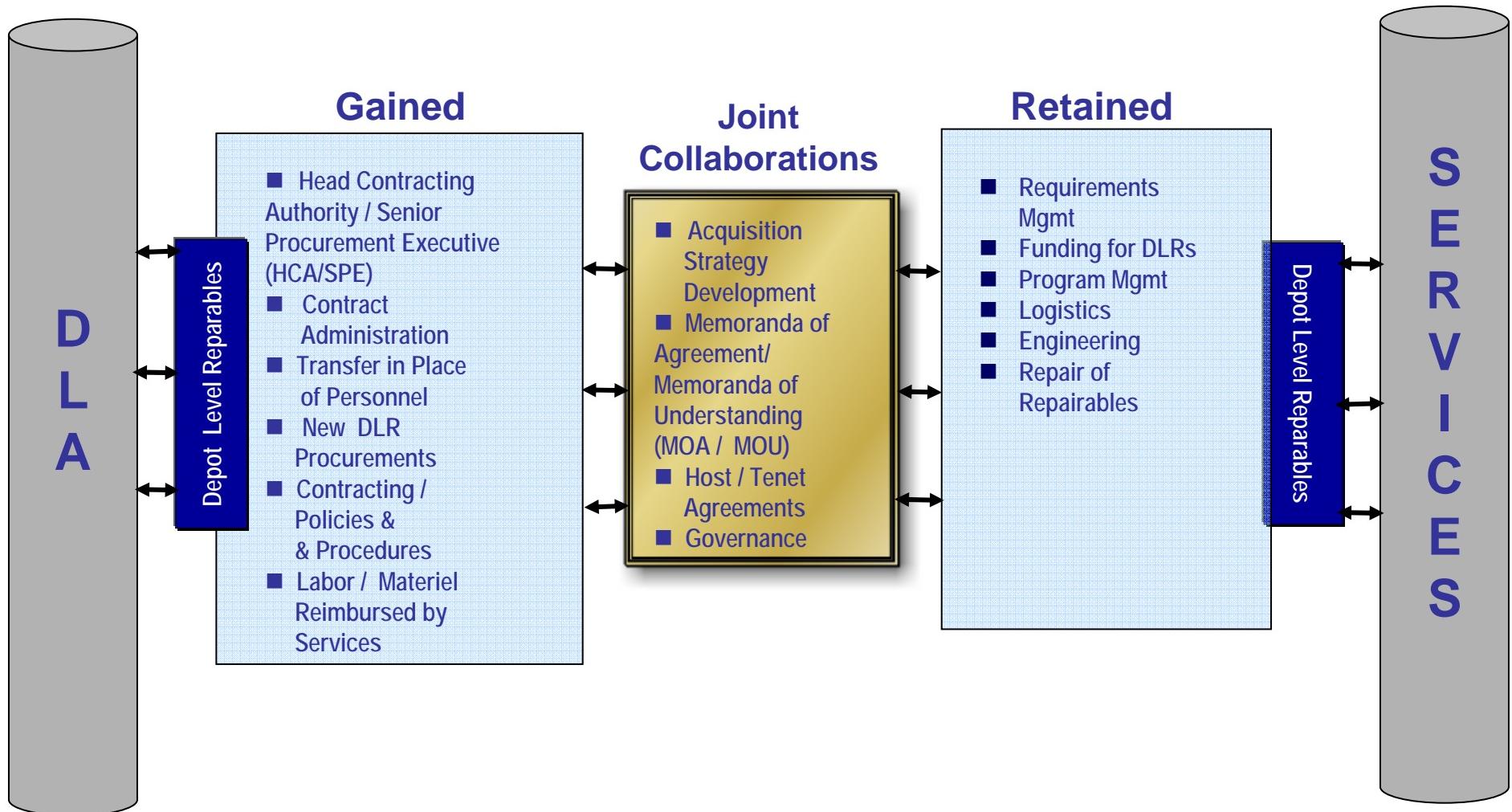


**Goal - To provide World Class DLR procurement support to the warfighter with maximized performance at lowest overall cost**





# DLR Procurement Management Consolidation





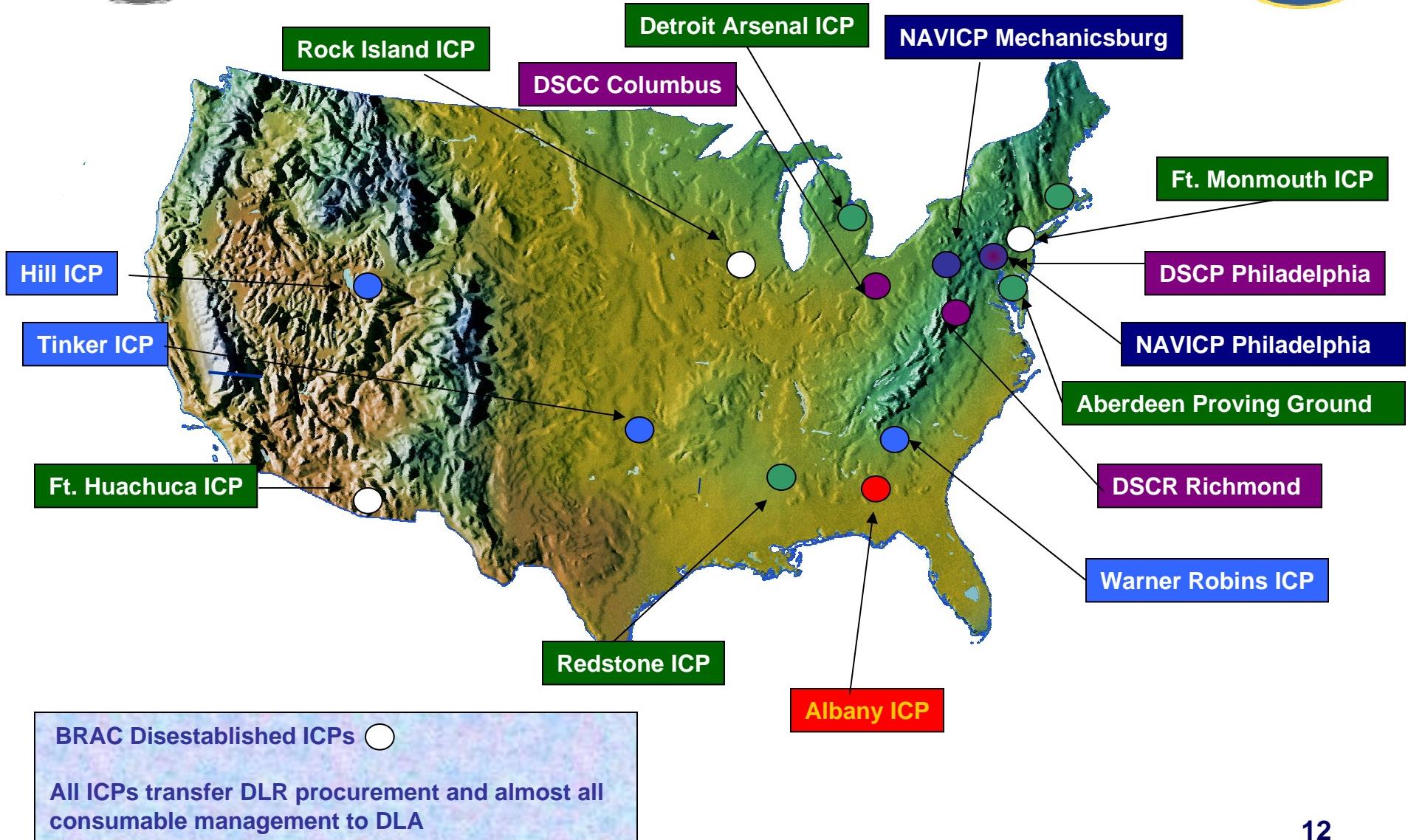
# DLR Procurement Impacts



- Leverage Full Buying Power of DoD (\$42B in FY05 for weapons support items)
- One Buyer Vice Five... Increase Items & Actions per Contract
- Decrease Contracts (253,000)
- Cost of Contract Administration (Government & Supplier)
- Top Five Air Force & DLA's Aviation Supply Chain Suppliers are same
- More Performance Based Contracts, Direct Vendor Delivery, Reduced Administrative Lead Time/Production Lead Time
- Decrease Cost per Unit



# DLR Procurement Management Consolidation

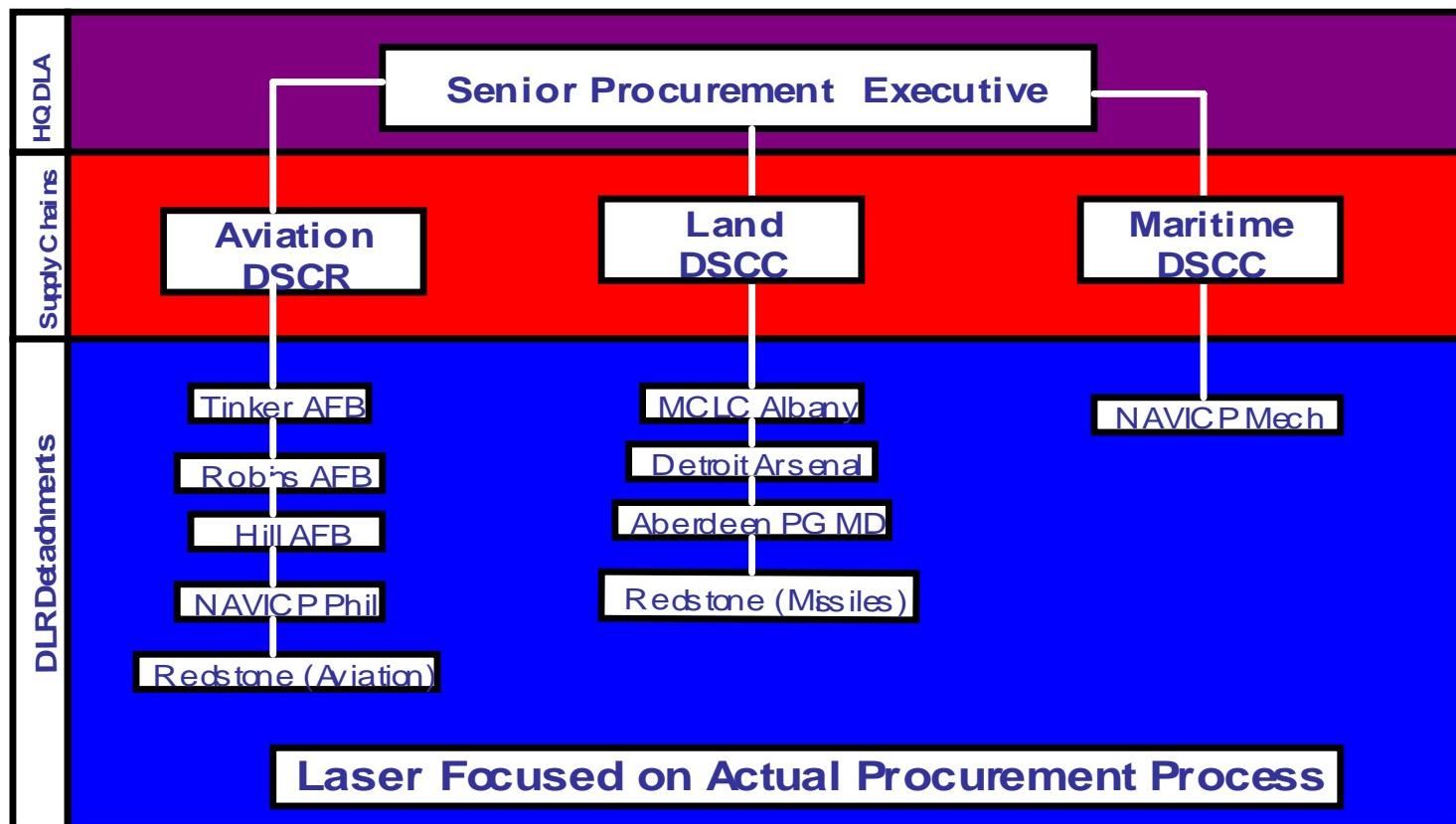




# Realigned DLR Procurement Management

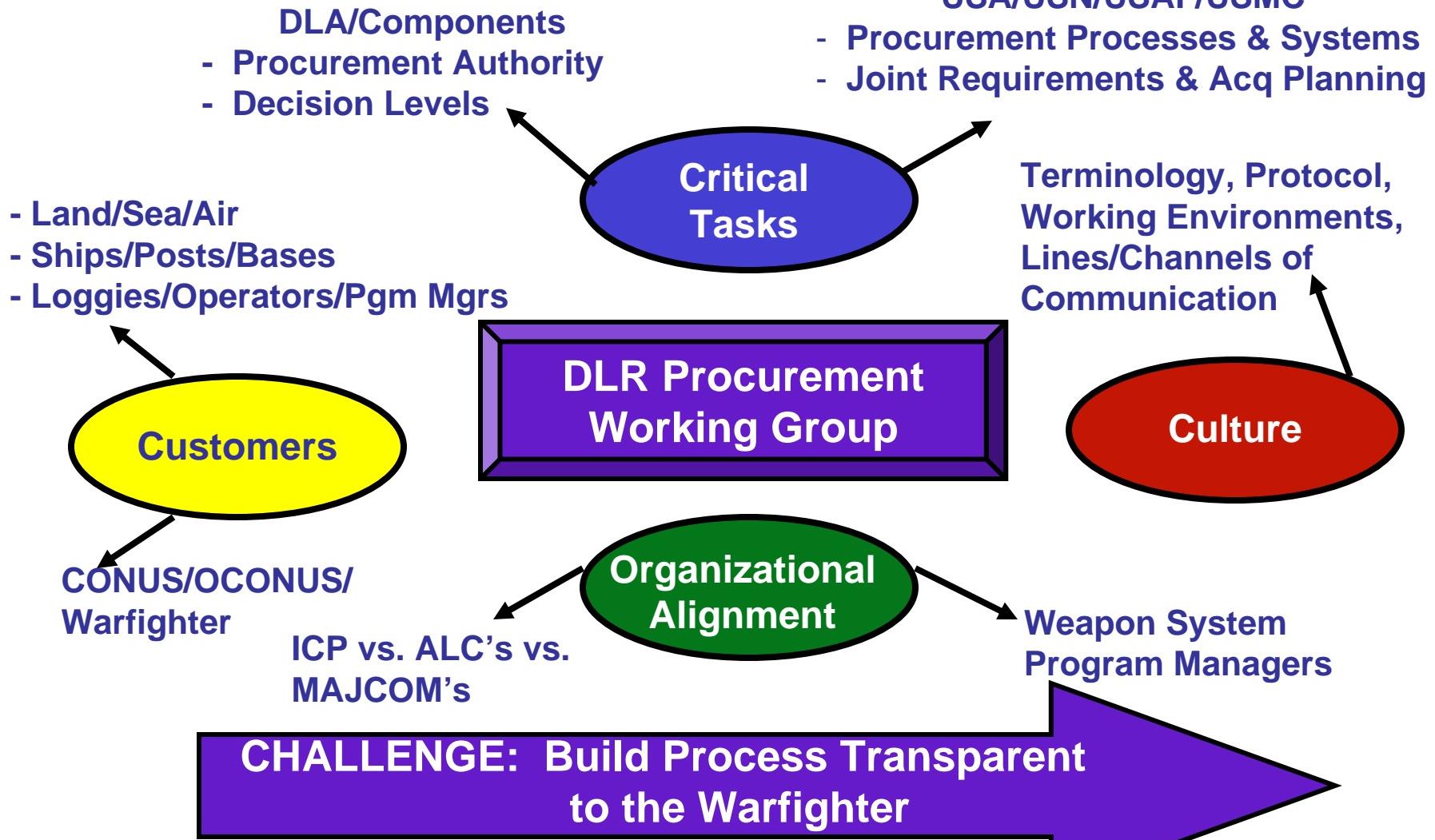


## DLR Procurement Management Consolidation Organizational Structure



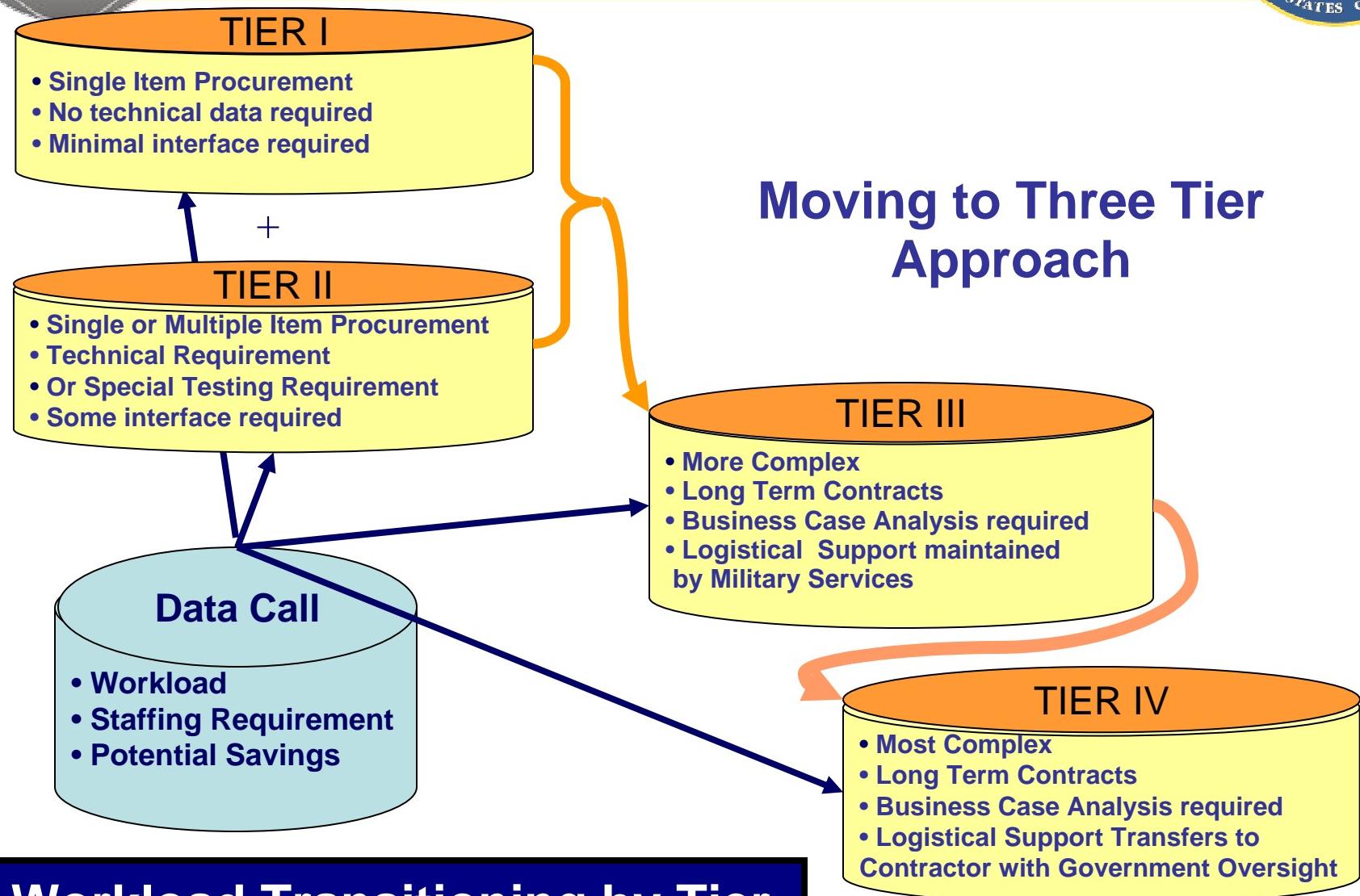


# DLR Procurement Management Complexity



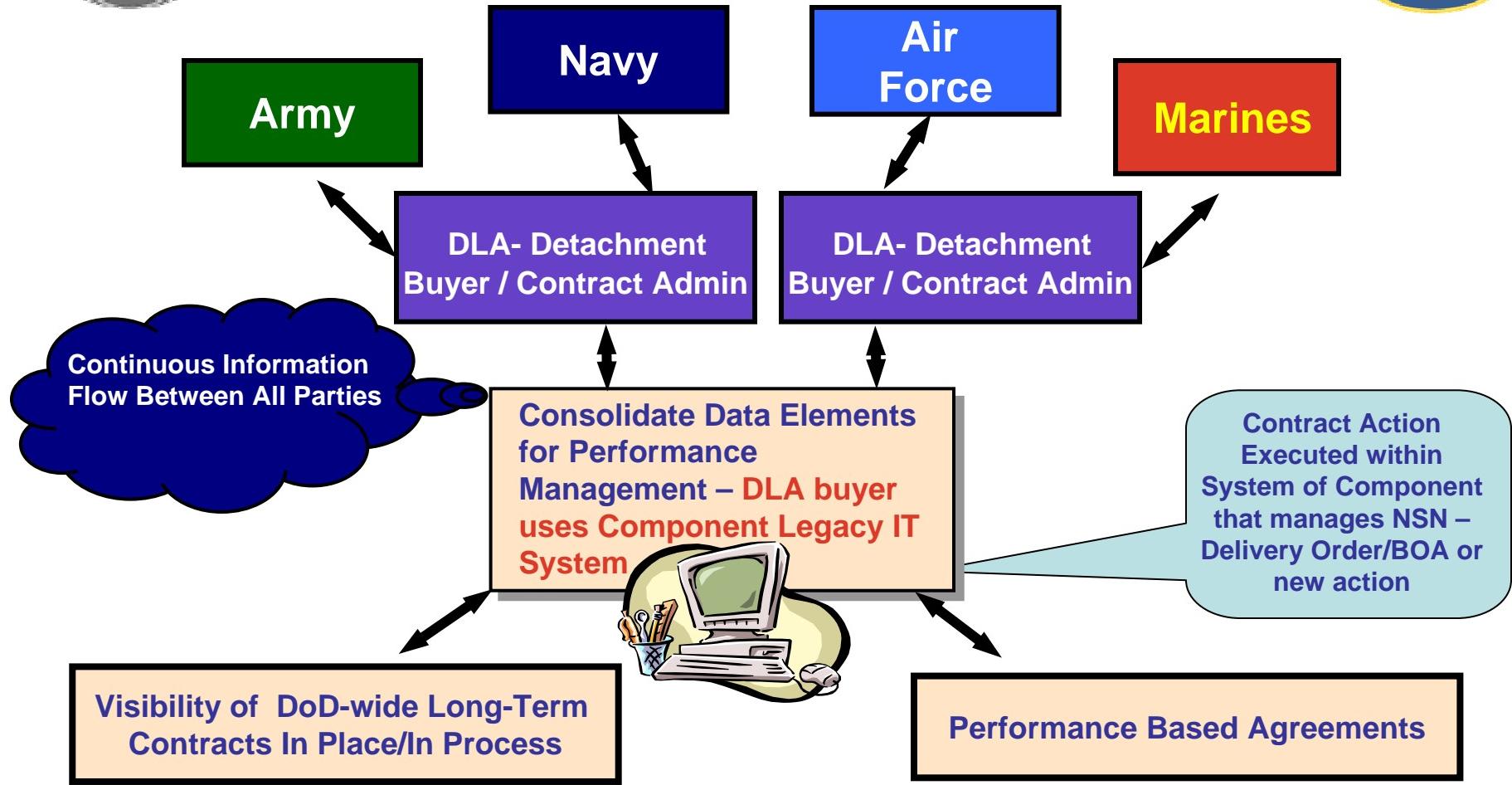


# DLR Procurement Management Phased Approach





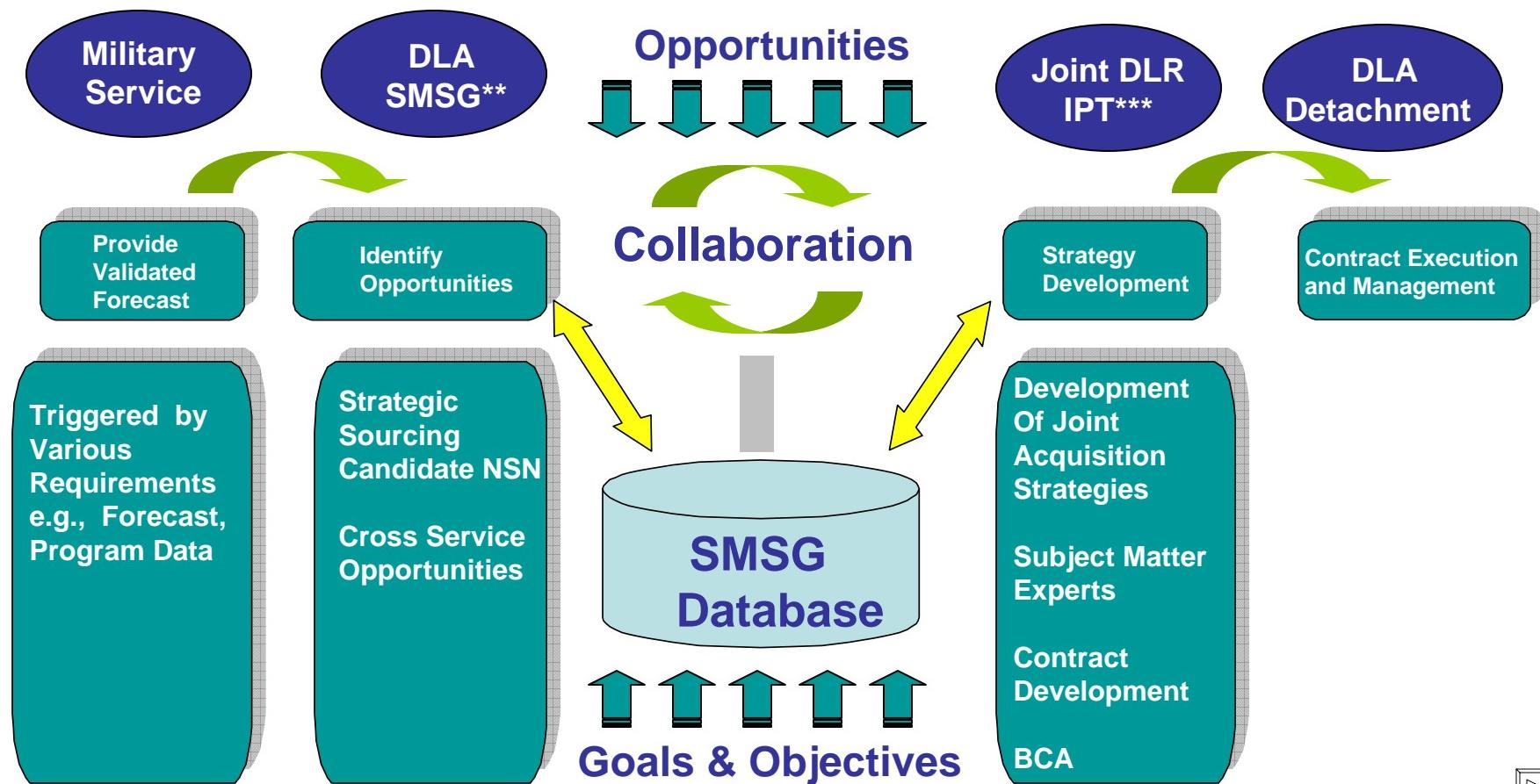
# Tactical Buys – Interim State



**DLA Buyers will Execute Contract Action for Existing Requirements**



# Procurement Business Process - Strategic



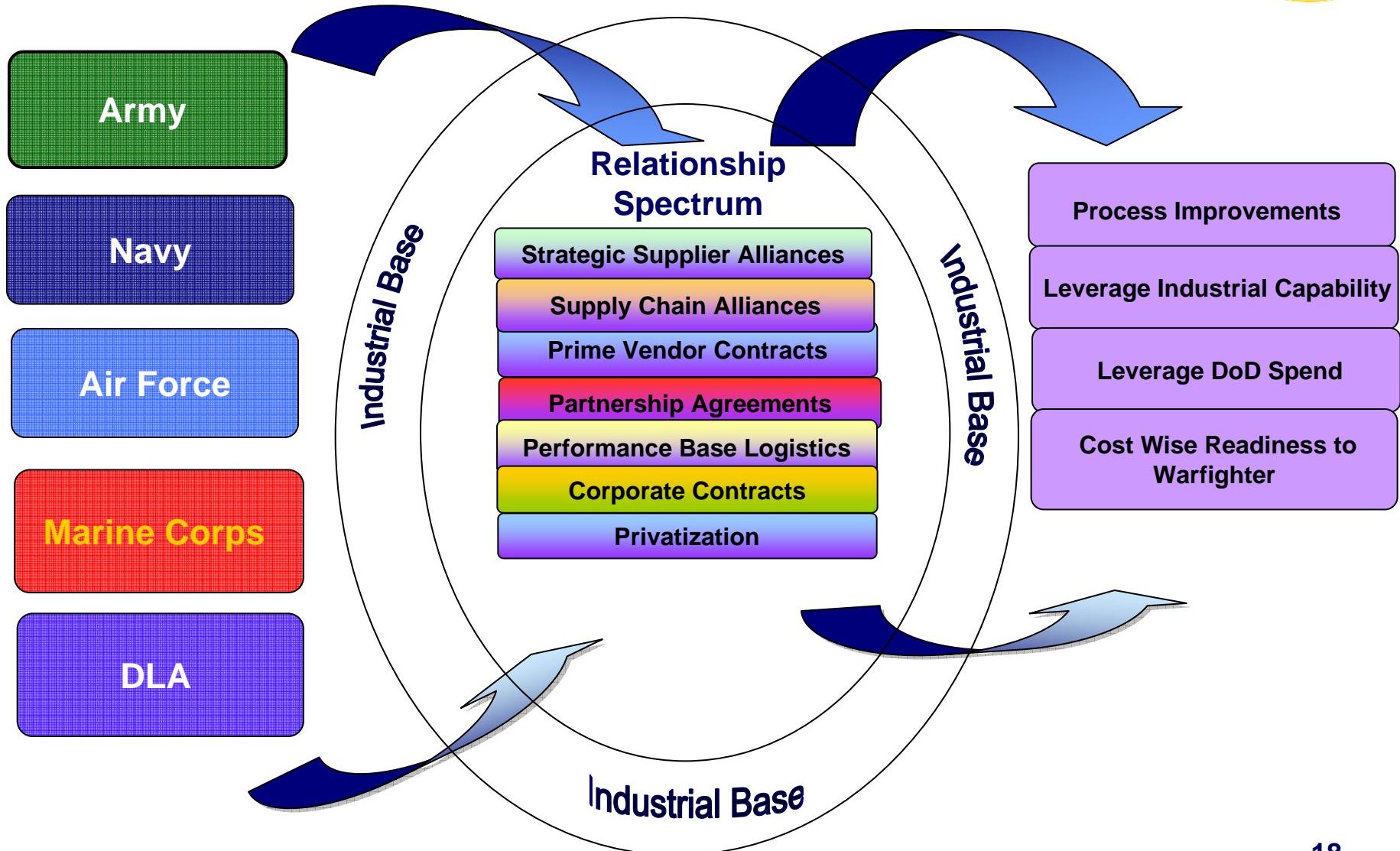
All Acquisition Strategies Co-Developed by DLR IPT

\*\*Strategic Material Sourcing Group

\*\*\*Integrated Process Team



# Leveraging Best Business Practices





# DoD Logistics is Big Business



## Annual Budget:

\$42 billion in supply

\$68 billion in maintenance

\$10 billion in transportation

\$120 billion total logistics costs  
(FY 05 President's Budget)

## Operational Resources:

51,000 vendors

2000+ legacy logistics systems

45,000+ requisitions per day

\$77 billion inventory



## \$700 billion in assets:

- 300 ships
- 15,000 aircraft
- 30,000 combat vehicles
- 900 strategic missiles
- 330,000 ground vehicles

**It's a complex enterprise, and a central challenge is delivering cost effective operational availability.**



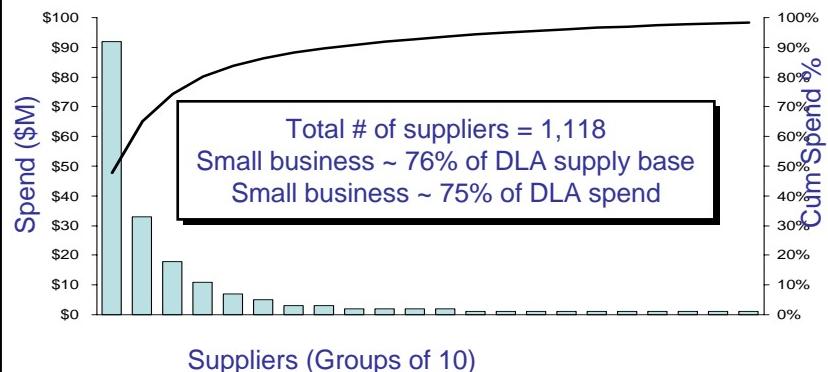
# Commodity Management – Bearings



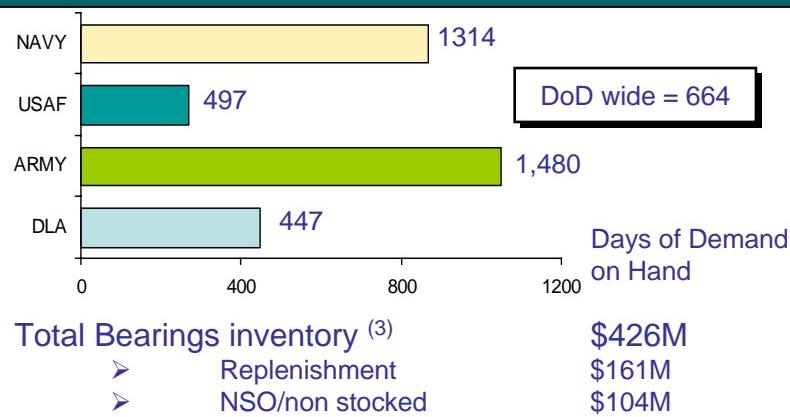
## DEMAND CHARACTERISTICS

# of Bearings NSN's	118,854
➤ Replenishment items	14,171
➤ NSO /non stock	100,445
➤ Service Managed	4,238
Total Bearings usage <sup>(1)</sup>	\$233M
Total Bearings spend <sup>(2)</sup>	\$272M
➤ Sole sourced	\$51M
➤ Competitive	\$165M
➤ Undetermined	\$56M

## SUPPLY CHARACTERISTICS



## INVENTORY INVESTMENT CHARACTERISTICS



## PERFORMANCE CHARACTERISTICS

Supply Availability	85%
Administrative Lead-time (avg.)	115 days
Production Lead-time (avg.)	159 days
Backorder age (avg.)	48 days

CY 2004 data for "active" items (stock code = replenishment)

(1) CY 2004 demand, (2) CY 2004 contract spend, (3) Inventory is a snapshot as of July 2005; Spend lags demand;

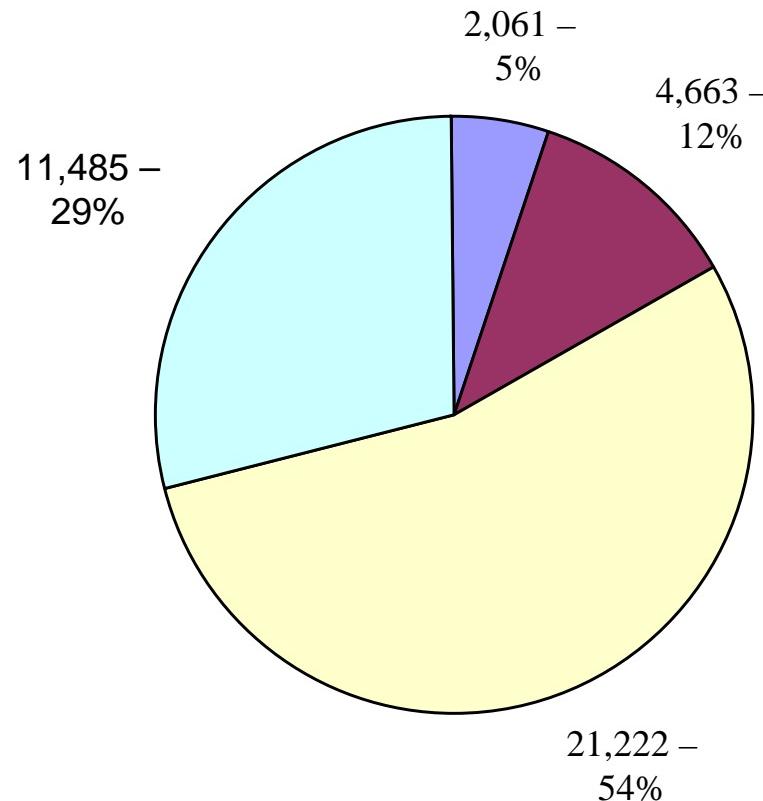


# Top 20 Suppliers Across Services

CAGE	Legal Name	# Items	# Contracts	# Contract Actions
32168	ALL TOOLS, INC	26	28	30
34623	AM GENERAL LLC	55	74	212
3B1R2	BELL BOEING JOINT PROJECT OFFICE	78	4	99
97499	BELL HELICOPTER TEXTRON INC	666	106	914
98247	CANADIAN COMMERCIAL CORPORATION	275	244	399
8V613	DOUGLAS MCDONNELL HELICOPTER COMPANY	220	113	195
99207	GENERAL ELECTRIC COMPANY	1007	39	1659
07482	GENERAL ELECTRIC COMPANY	294	12	697
73030	HAMILTON SUNDSTRAND CORPORATION	396	237	656
02LU7	HONEYWELL INTERNATIONAL INC	610	265	852
04939	LOCKHEED MARTIN CORPORATION	238	125	267
	MCDONNELL DOUGLAS CORPORATION A WHOLLY OWNED SUBSIDIARY OF BOEING			
76301		681	21	889
45152	OSHKOSH TRUCK CORPORATION	85	108	216
59211	PARKER HANNIFIN CORPORATION	433	152	596
4U884	RAYTHEON COMPANY	84	24	97
78286	SIKORSKY AIRCRAFT CORPORATION	1252	84	1785
77272	THE BOEING COMPANY	468	95	785
04NP0	THE GOODYEAR TIRE & RUBBER COMPANY	18	24	78
15152	THE PURDY CORPORATION	61	75	104
52661	UNITED TECHNOLOGIES CORPORATION, PRATT & WHITNEY DIVISION	547	14	747



# Item Counts by Competition Type

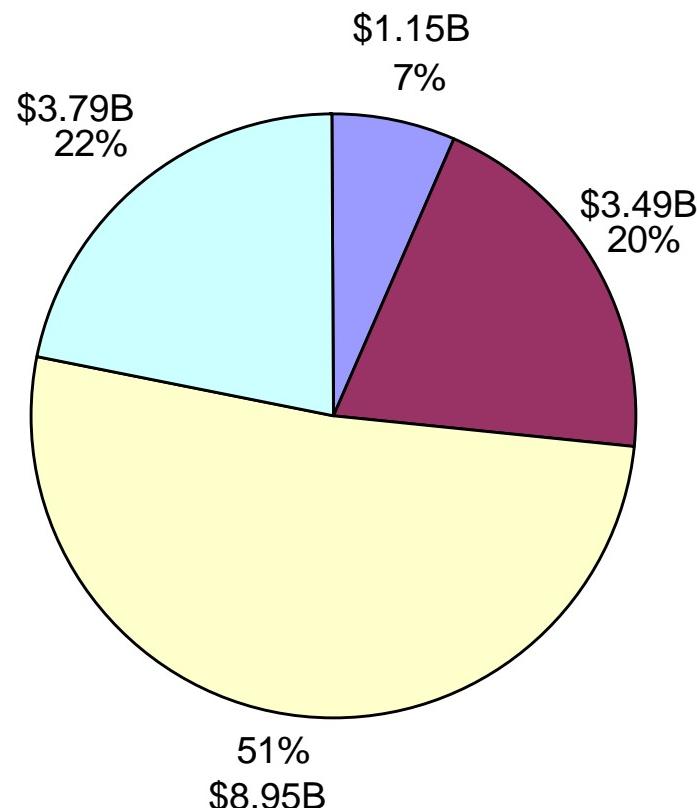


Total Items – 39,431

Fully Competitive  Limited Competition  Sole Source  Unknown



## FY 03-05 Spend by Competition Type

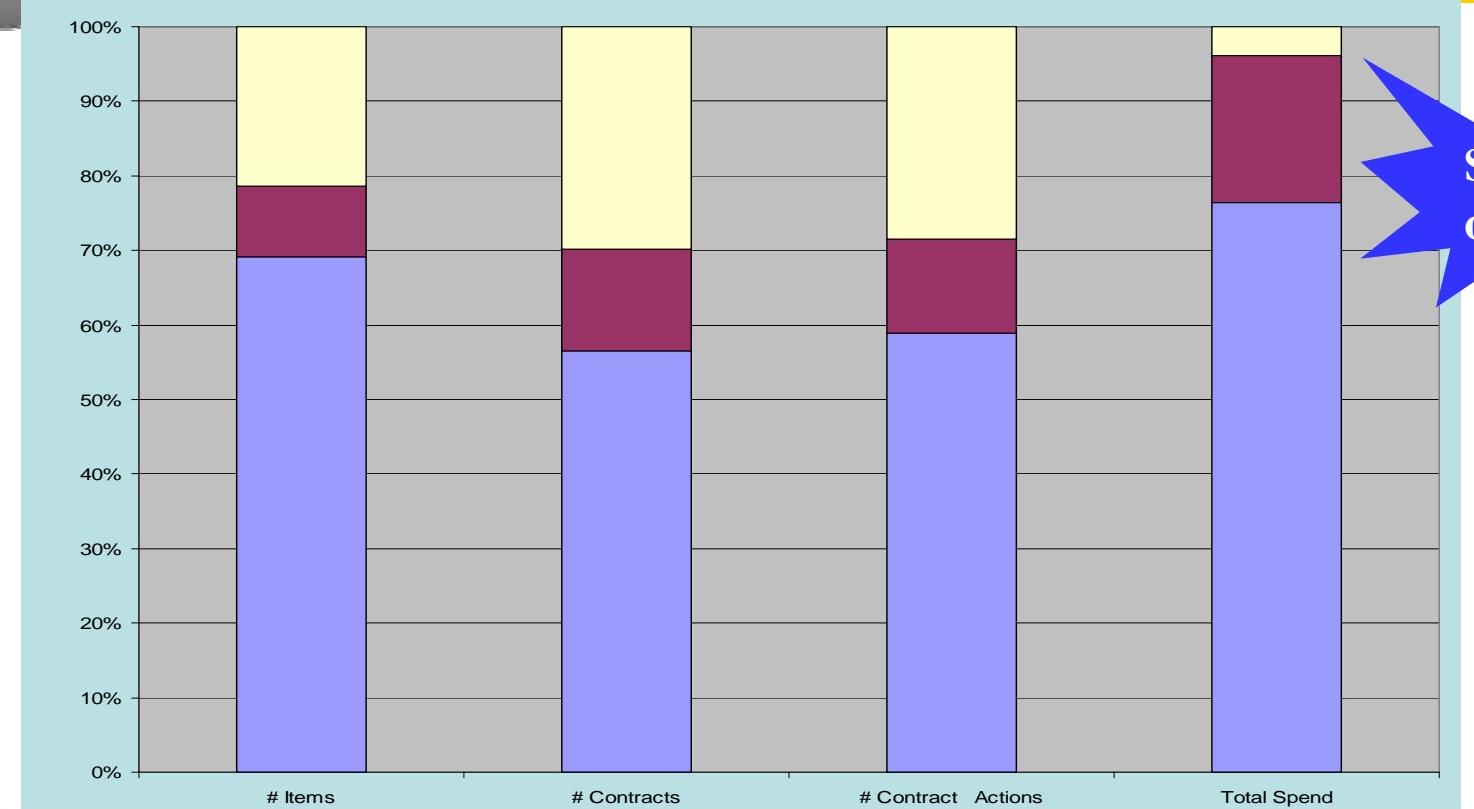


Total Spend - \$17.4 B

■ Fully Competitive ■ Limited Competition ■ Sole Source ■ Unknown



## FY 03-05 Component Contract Data



Supply Chain	# Items	# Contracts	# Contract Actions	Total Spend
Aviation	27,253	20,993	37,781	\$13.3 B
Land	3,736	5,099	8,140	\$ 3.4 B
Maritime	8,443	11,059	18,234	\$ .7 B
Total	39,432	37,151	64,155	\$17.4 B



# Implementation Timeline

ID	Task Name	Half 2, 2006	Half 1, 2007	Half 2, 2007	Half 1, 2008	Half 2, 2008	Half 1, 2009	Half 2, 2009	Half 1, 2010	Half 2, 2010	Half 1, 2011	Half 2, 2011
11	<b>DLA Detachment Standup</b>					◆ 9/15						
12	<b>Transition Operations begin</b>					◆ 10/1						
13	<b>Tier I Complete</b>						◆ 6/30					
14	<b>Tier II Complete</b>						◆ 6/30					
15	<b>Tier III Complete</b>								◆ 6/30			
16	<b>Tier IV Complete</b>									◆ 9/30		



# Summary



- Significant Consolidation of DoD Procurement Management
- \$1.9 B in Savings over 20 years
  - Leveraging DoD Buying Power
  - More Strategic Sourcing Arrangements
  - Fewer Contracts...More Contract Actions/Contract
  - More Performance Based Contracts
  - Lower Cost
- Joint Collaboration Essential
- Implement Best Business Practices
- Phased Implementation
  - Target Completion – 30 Sep 10

# **DFAS Columbus**

**Contract Pay**

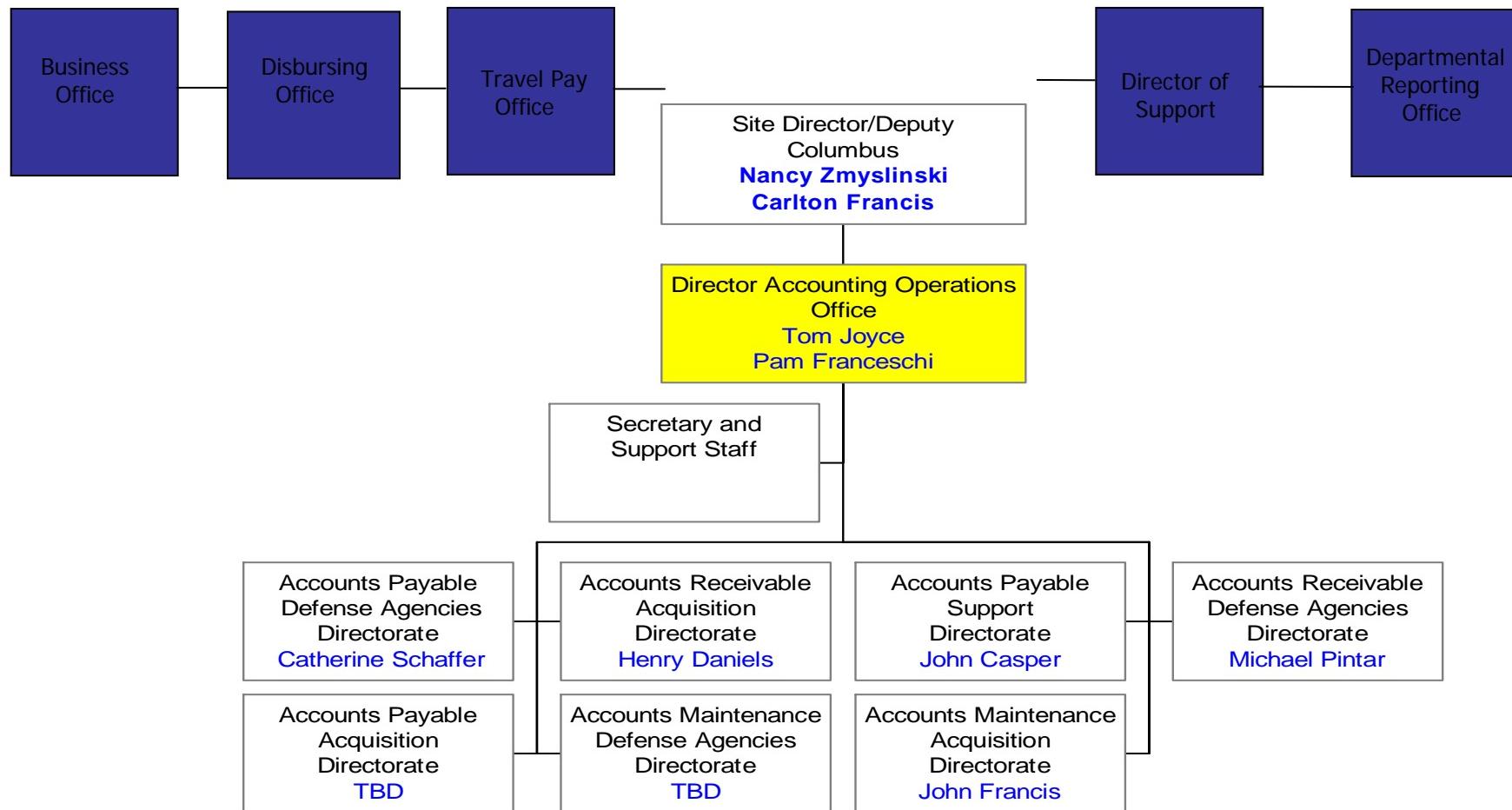
**Vendor Pay**

**Electronic Commerce**

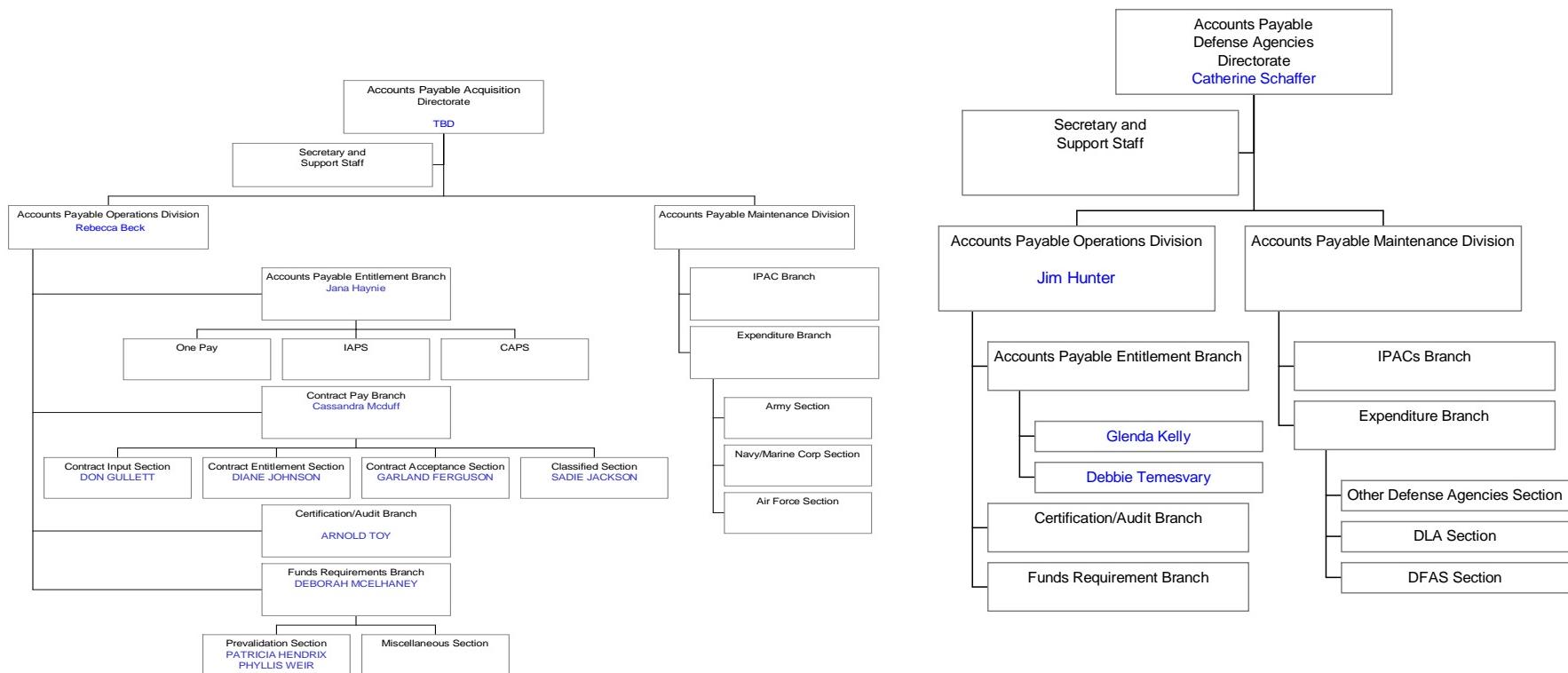
# Contract Pay

**Cassandra McDuff  
Don Gullett**

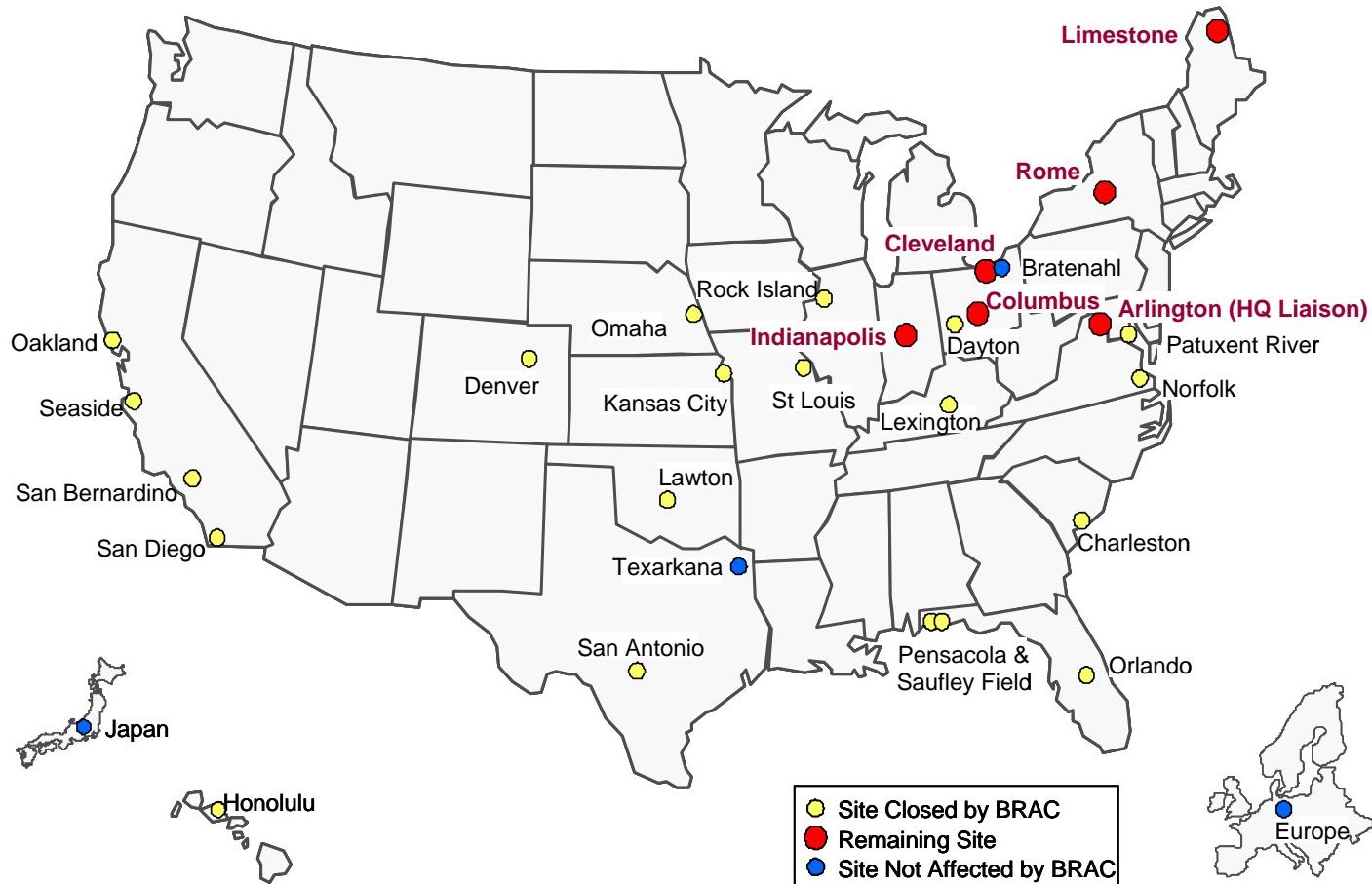
# DFAS Columbus



# Accounts Payable Acquisition and Defense Agencies Directorates



# Structure 2005 BRAC Law



- Grow the DFAS site at Cleveland, OH, to not less than 1,500 Full Time Equivalents (FTEs)
- Grow the DFAS site at Limestone, ME, to not less than 600 FTEs
- Grow the DFAS site at Rome, NY, to not less than 1,000 FTEs
- Maintain not less than the current FTEs<sup>1</sup> at the DFAS sites at Columbus, OH (2,064 FTEs), and Indianapolis, IN (2,632 FTEs)

<sup>1</sup> FTEs effective EOM August 2005 (Geographic Location Report, Military Personnel Report)

# Workload Migration

Closing Sites	Site Closure Date	Cleveland	Columbus	Indianapolis	Limestone	Rome
St. Louis	June 2007		X			
Orlando	August 2007		X	X		X
Charleston	December 2007	X	X			
Omaha	February 2008		X	X	X	
San Diego	February 2008	X	X			X
Pensacola NAS Saufley Field	April 2008	X	X			
Rock Island	June 2008		X	X		X

# Workload Migration

Closing Sites	Site Closure Date	Cleveland	Columbus	Indianapolis	Limestone	Rome
Lexington	June 2006			X		X
San Bernardino	June 2006		X		X	
San Antonio	August 2006				X	X
Dayton	December 2006		X		X	
Lawton	December 2006			X		X
Norfolk	January 2007	X		X		X
Pacific	March 2007	X		X	X	X

# Columbus Incoming Workload Realignments

<u>Site</u>	<u>Closure Date</u>
San Bernardino	June 2006
Dayton	December 2006
St. Louis	June 2007
Orlando	August 2007
Charleston	December 2007
Omaha	February 2008
San Diego	February 2008
Pensacola	April 2008
Rock Island	June 2008

Dates/Workload are subject to change

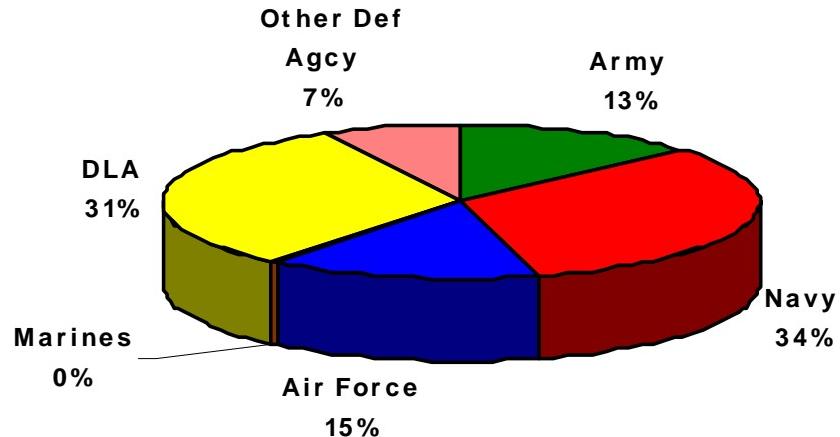
# Accounts Payable Operations

- Acquisition Directorate
  - Pays DCMA Administered Contracts
  - CAPS, IAPS and One Pay – Supported by Contract
  - **Mechanization Of Contract Administration Services - MOCAS**
  - Located in Columbus, Ohio
  - Pays More Complex Contracts
    - High Dollar
    - Multiyear Contracts
    - Multiple Deliverables
  - Makes Financing Payments-MOCAS Only
- Defense Agencies Directorate
- Pays Contracts Where Buying Activity Retains Administration
  - Uses Multiple Systems
  - Deployed Across Multiple Locations World-Wide
  - Pays Less Complex Contracts
  - Payment Office Based on Preponderance of Funds at Time of Award

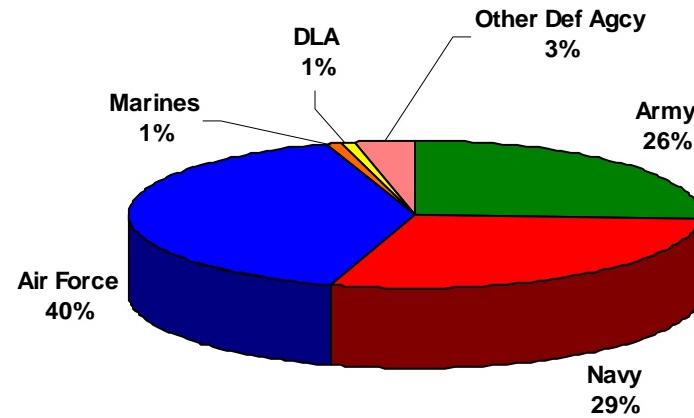
# Contract Pay Magnitude of Operations

- Contract Pay - FY 05
  - 302,269 Active Contracts
  - 16,198 Active Contractors
  - 1,162,319 invoices processed
  - \$130.6 Billion Disbursed
- Contract Pay FY To Date
  - 309,032 Active Contracts
  - 16,694 Active Contractors
  - 858,796 Invoices Processed
  - \$107.8 Billion Disbursed
    - As of 6/30/06

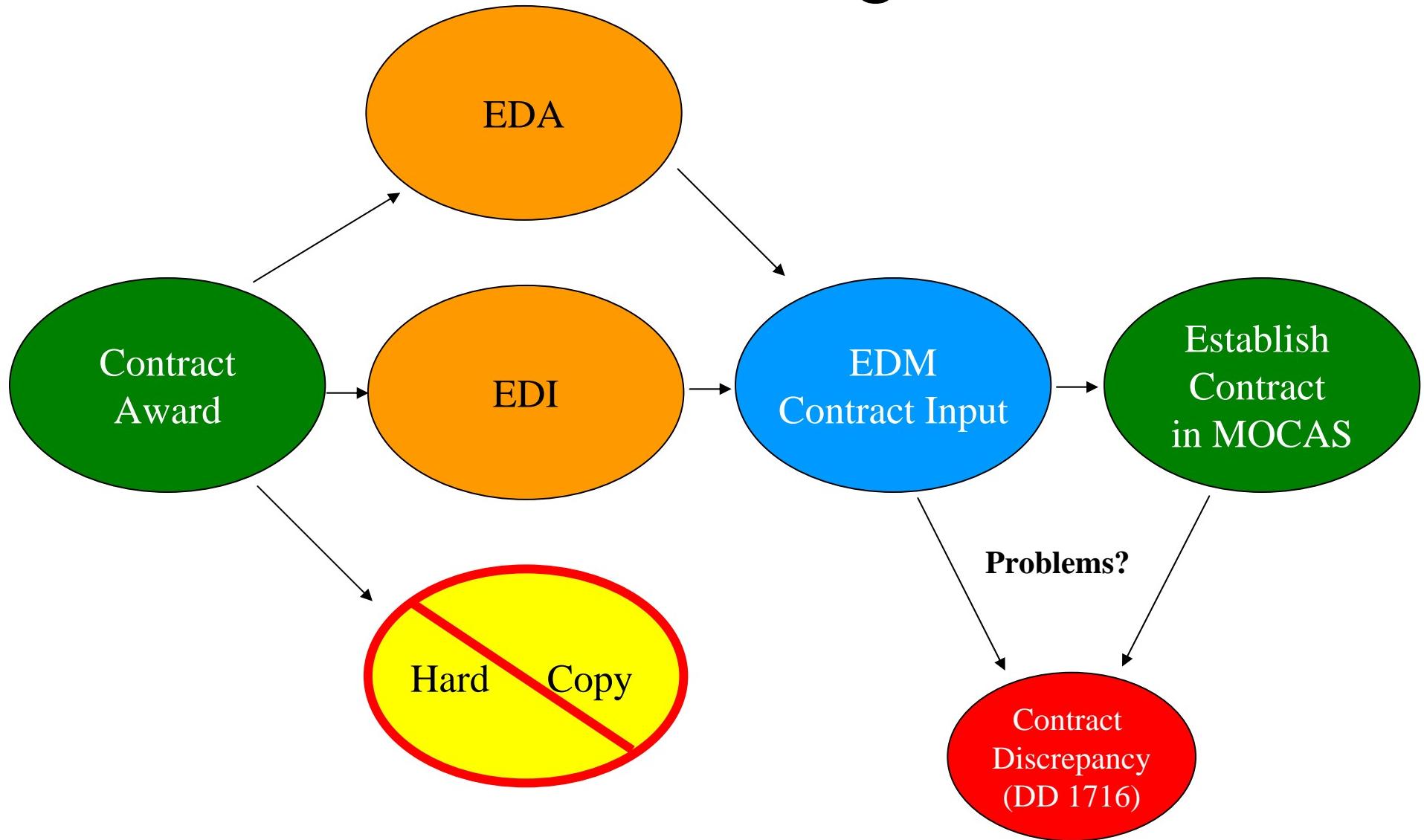
Total Contracts - FY 06 YTD



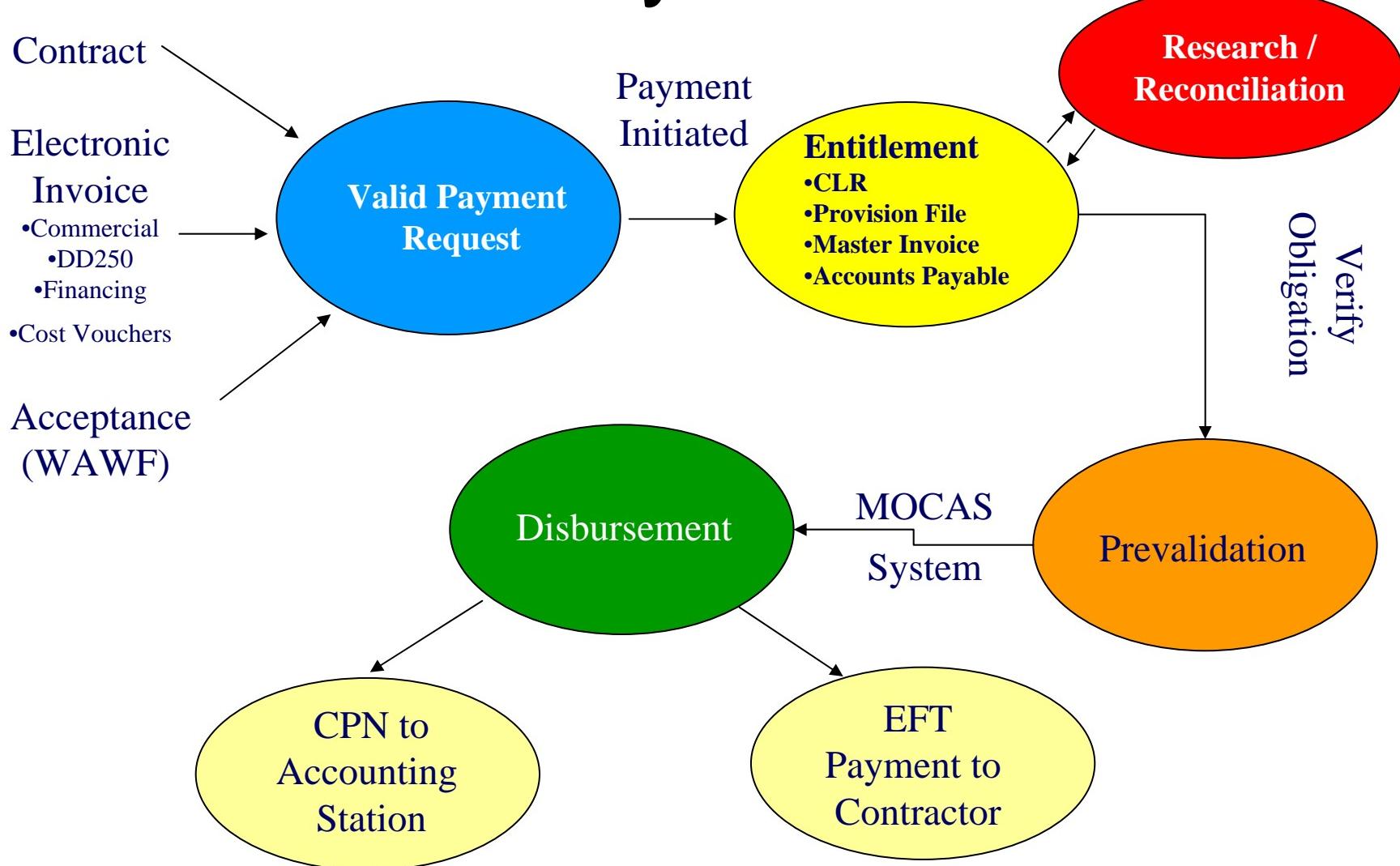
Obligation Dollars by Service  
FY 06 YTD



# Contract Management



# Current Payment Process



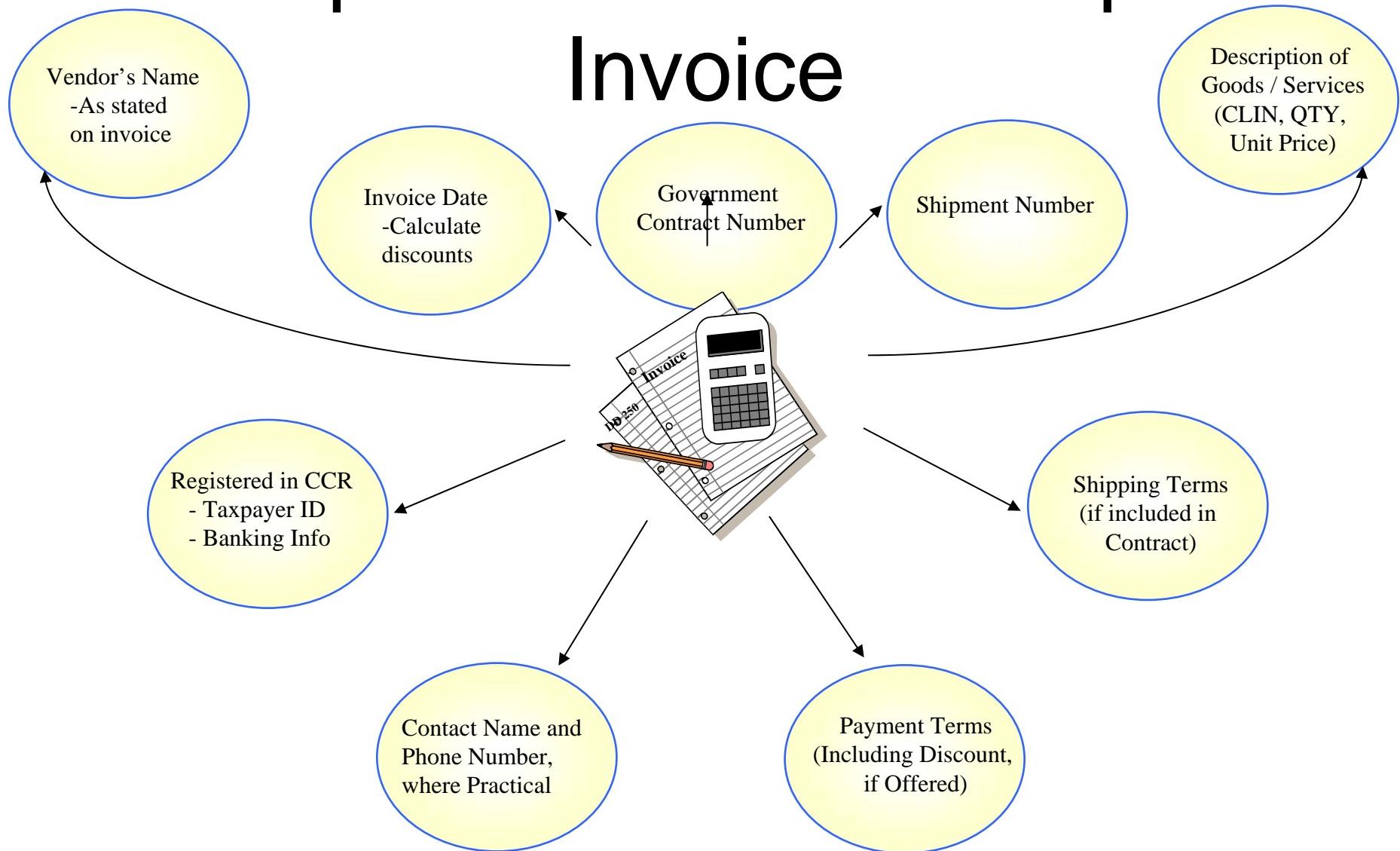
# Contract Pay Areas of Emphasis

- Expand Electronic Commerce Usage Requirement
  - Service, Transportation, Additional Billing, Mod Billing
- Reduction of Returned and Recycled Invoice
  - Report Cards To Top Offenders
  - Increase EC Usage
- Improved Contract Structure
  - Road Shows/Post Award Participation
  - Special Payment Instructions
- Interest Reduction
- Fiscal Yearend
  - Invoice Submission Deadline – August 28
- Automated CAS Collection System (ACCS)

# Returned Code Variables

<u>Code</u>	<u>Description</u>
E-01	Invoice submitted to wrong Paying/Admin Office
E-02	Awaiting a Definitizing Modification
E-03	Contract Number on Invoice is Missing or Invalid
E-05	Duplicate Invoice/Shipment Number
E-06	Shipment Number is Missing or Incorrect
E-07	Evidence of Shipment Required
E-08	Invoice Requires Approval
E-09	Per Instructions of CONTRACTOR/ACO/PCO and TO
E-10	Item Number Requires Verification
E-11	Invoice Not Billed IAW the Contract
E-12	Error on DD250
E-13	Inspection/Acceptance Problem
E-14	Unauthorized Overshipment
E-15	Miscellaneous
E-16	Input Error
E-17	Transportation
E-18	Invoice Not Returned to Contractor
E-19	All Other Reasons for Return to Contractor
E-20	No Active Central Contract Registration ( CCR)
E-21	Hard Copy Invoice Submission Unauthorized

# Requirements for a Proper Invoice



# Automated CAS Collection System (ACCS)

- ACCS provides the ability for contractors to submit payments to DFAS electronically
- MOCAS Only
- ACCS utilizes the Department of Treasury's Pay.gov service
  
- ACCS can be accessed at Treasury's Pay.gov website,  
<https://www.pay.gov/paygov>

# ACCS – Navigation

Pay.gov - Home - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Refresh Favorites Search Favorites Mail Print Links Go

Address https://www.pay.gov/paygov/

Pay.gov<sup>SM</sup>

Provided by the Department of the Treasury.

Home

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Password: \_\_\_\_\_

**Find Public Forms**

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by Agency Name

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**For Business and the General Public**

**For Government Agencies**

**"Re-Inventing Government Collections"**  
Developed by the U.S. Department of the Treasury, Pay.gov enables individuals and businesses to securely and easily send electronic payments to the Federal Government. Pay.gov's service allows you to pay by debit/credit card or to authorize an ACH debit of your savings or checking account.

**Use Pay.gov to:**

- Make one-time payments
- Schedule recurring payments
- Get Bills delivered to you online
- Track payments and update payment instructions

**What is Pay.gov?**  
**How Do I use Pay.gov?**

Need to use Pay.gov on a more frequent basis? By self-enrolling, you can save your forms and schedule recurring payments automatically. Here is how to set up a Pay.gov user account:

**"Maximizing Collections / Minimizing Costs"**  
Launched in October 2000, Pay.gov is a secure government-wide collection portal, developed to meet the U.S. Treasury's commitment to process collections electronically using Internet technologies. Pay.gov satisfies the demands of agencies by providing their customers the ability to make payments, complete forms and submit queries 24 hours a day. Read the [Pay.gov Collections Summary Report](#) to see the growth in agency collections over the past few years.

**Why use Pay.gov?**

- Fast and safe collection service at no cost to your agency
- Secure transactions available to anyone, anywhere
- Expert solutions for your technical and regulatory compliance issues
- Comprehensive customer & technical support from day one forward

Type form name in as MOCASACCS then Go

DEPARTMENT OF THE TREASURY

FIRSTGOV

# Enter Contract Data

# Enter Bank RTN and Account

Pay.gov - Online Payment - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Address https://qa.pay.gov/paygov/forms/formInstance.html Go Links DFAS Infoweb TimeKeeping

Google Search 0 blocked ABC Check AutoLink AutoFill Options

**Pay.gov<sup>SM</sup>** Provided by the Department of the Treasury.

Home > Online Payment

**System Message**

- The system has populated the Payment Date with the next available payment date.

**Online Payment**

**Step 1: Enter Payment Information**

Pay Via Bank Account (ACH) [About ACH Debit](#)

Required fields are indicated with a red asterisk \*

Account Holder Name:  \*

Payment Amount: \$1.00

Account Type:  \*

Routing Number:  \*

Account Number:  \*

Confirm Account Number:  \*

Check Number:

Routing Number      Account Number      Check Number

0 26946783 9243767390 1234

Payment Date: 04/11/2006 \* (MM/DD/YYYY)

Select the "Continue with ACH Payment" button to continue to the next step in the ACH Debit Payment Process.

**Note:** Please avoid navigating the site using your browser's Back Button - this may lead to incomplete data being transmitted and pages being loaded incorrectly. Please use the links provided whenever possible.

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United States Department of the Treasury, Financial Management Service,  
401 14th Street SW, Washington, DC 20227, Email:[emoney@fms.treas.gov](mailto:emoney@fms.treas.gov)  
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start D: 3: R: I: C: P: O: A: 10:28 AM Internet

# Confirm and Submit

1 Pay.gov - Online Payment - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Search Favorites Home Print AutoFill Options

Address https://qa.pay.gov/paygov/payments/enterACHDebitPaymentInformation.html Go Links DFAS Infoweb TimeKeeping

Google Search 0 blocked ABC Check AutoLink AutoFill Options

Home > Online Payment

Online Payment Step 2: Authorize Payment 1 | 2 | 3

Payment Summary [Edit this information](#)

Account Holder Name:	George Jones
Payment Amount:	\$1.00
Account Type:	Personal Checking
Routing Number:	114000653
Account Number:	*****7950
Check Number:	116

Payment Date: 04/11/2006

Email Confirmation Receipt

To have a confirmation sent to you upon completion of this transaction, provide an email address and confirmation below.

Email Address: [Redacted]

Confirm Email Address: [Redacted]

Authorization and Disclosure

Required fields are indicated with a red asterisk \*

I agree to the authorization and disclosure language.  \*

Authorization and Disclosure--Consumers and Businesses

The debit transaction(s) to which you are agreeing are handled on behalf of Federal agencies by "Pay.gov," which consists of services offered by the U.S. Treasury Department's Financial Management Service. As used in this document, "we" or "us" refers to the Financial Management Service and its agents and contractors operating Pay.gov. "You" refers to the end-user reading this document and agreeing to it prior to engaging in a debit transaction.

I. Consumers

A. Authorization

You acknowledge that you have read and understand the consumer disclosure language and authorize the Federal Reserve financial institution of Cleveland to debit the named financial institution account. This authorization is to remain in full force and effect until we have received notification of its termination in such time and in such manner as to afford Pay.gov a reasonable opportunity to act on it, or unless otherwise terminated for any reason by Pay.gov.

B. Disclosure

In case of errors or questions about a transaction, immediately contact the Federal agency using the Pay.gov service or contact Pay.gov directly. ALL QUESTIONS ABOUT PAY.GOV TRANSACTIONS MUST BE DIRECTED TO THE FEDERAL AGENCY USING OUR SERVICE OR US AND NOT TO THE FINANCIAL INSTITUTION WHERE View Authorization and Disclosure in a separate window.

Press the "Submit Payment" Button only once. Pressing the button more than once could result in multiple transactions.

Done Internet 10:34 AM

# Vendor Pay

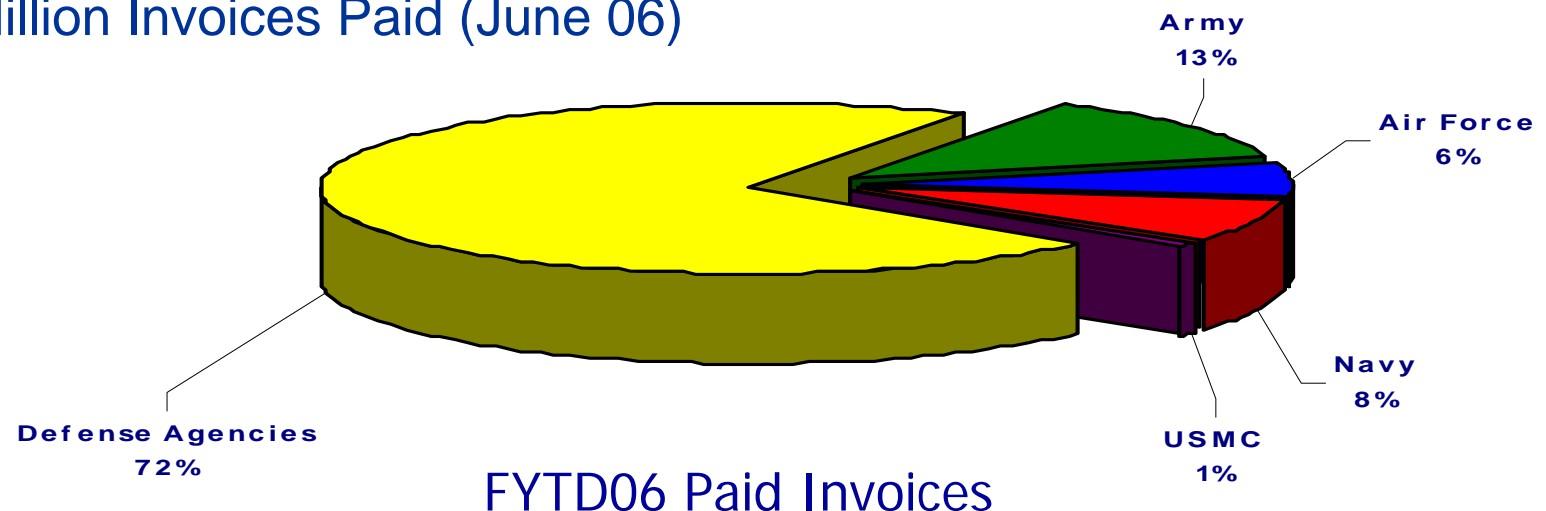
**Cheri Bundy  
Suzanne Waters**

# *Vendor Pay Product Line*

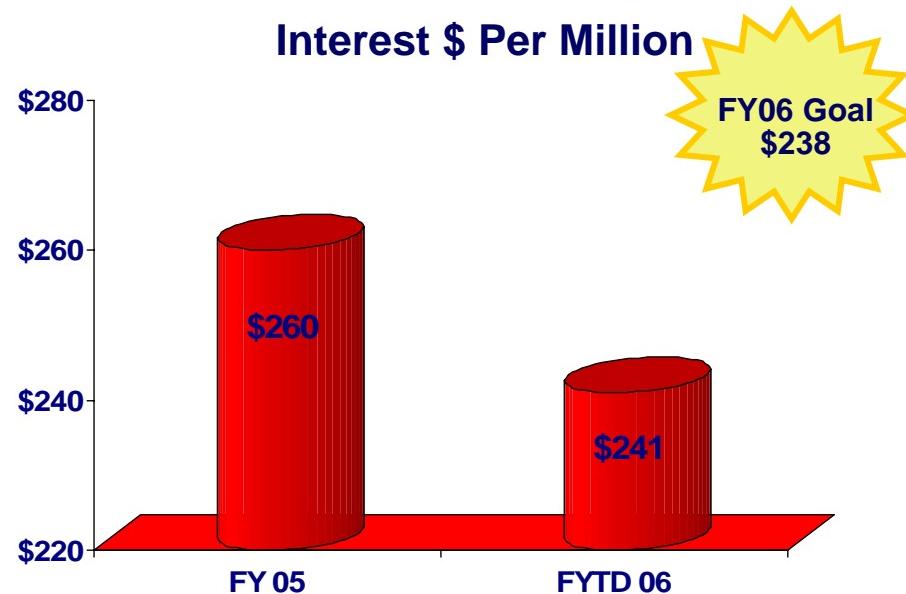
- Payment for Day to Day Goods and Services
- Encompasses Entitlement Determination For
  - Non-DCMA Administered Contracts (Some Exceptions)
  - Transportation Payments
  - Miscellaneous Payments to Businesses and Individuals
- Uses Multiple Systems
- Deployed Across Multiple Locations Worldwide

# *Vendor Pay Magnitude of Operations*

- Vendor Pay Network
  - 20 Vendor Pay Sites
  - 150,000 Contractors / Vendors
  - 13.1 Million Total Invoices Paid in FY05
  - \$93.6 Billion PPA \$ Disbursed in FY05
- Vendor Pay Service Breakdown
  - \$73.5 Billion PPA Dollars Disbursed (June 06)
  - 9.4 Million Invoices Paid (June 06)



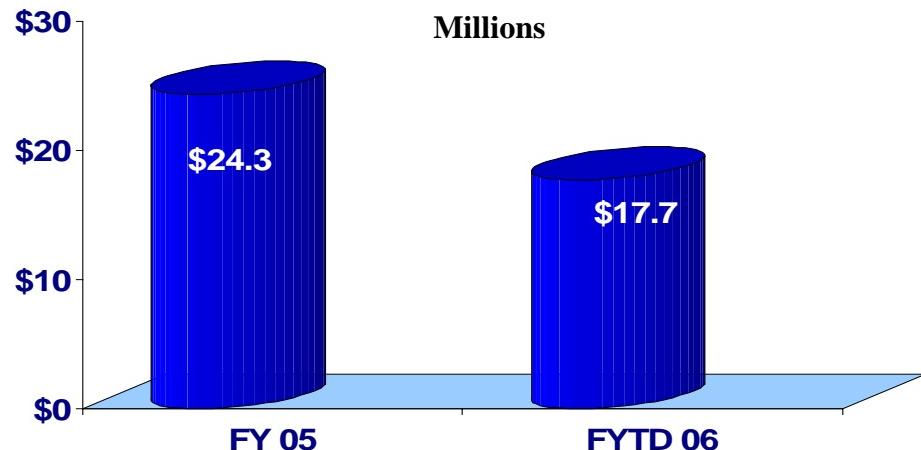
# Magnitude of Operations – Vendor Pay, Accounts Payable



### Prompt Pay Act \$ Disbursed

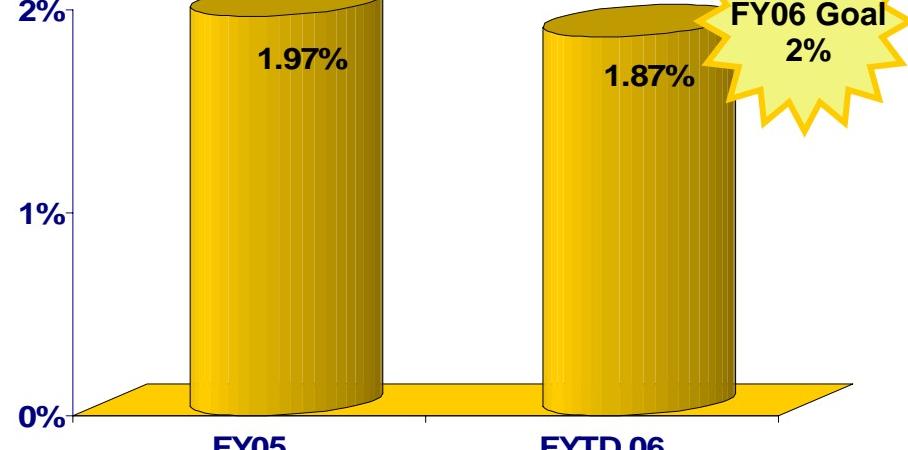


### Interest Paid



FYTD Data as of June 06.

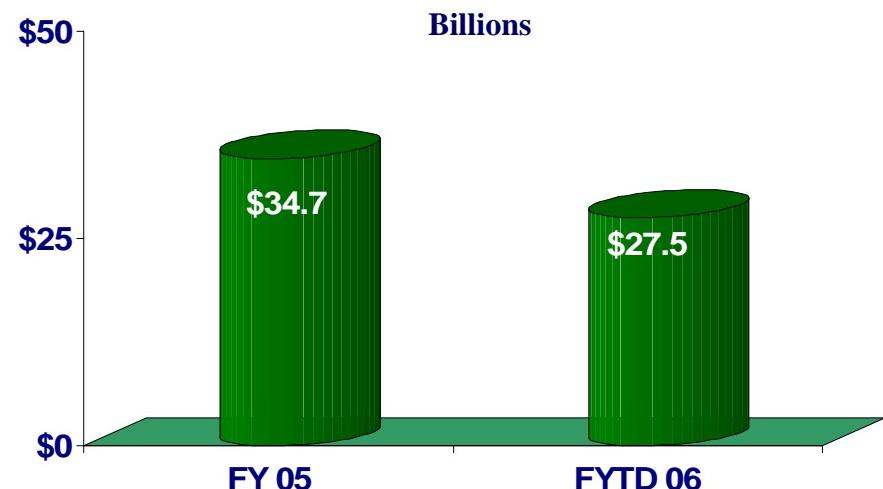
### Overage Invoice Percentage



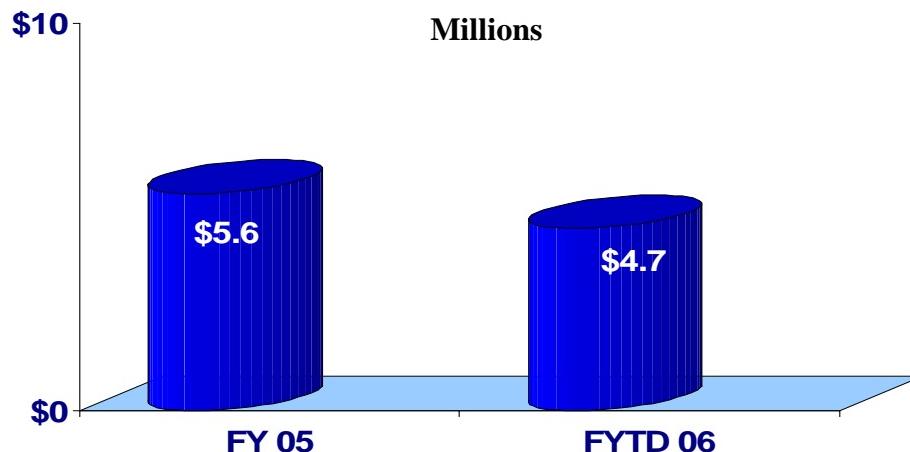
# Magnitude of Operations – Columbus Vendor Pay



### Prompt Pay Act \$ Disbursed

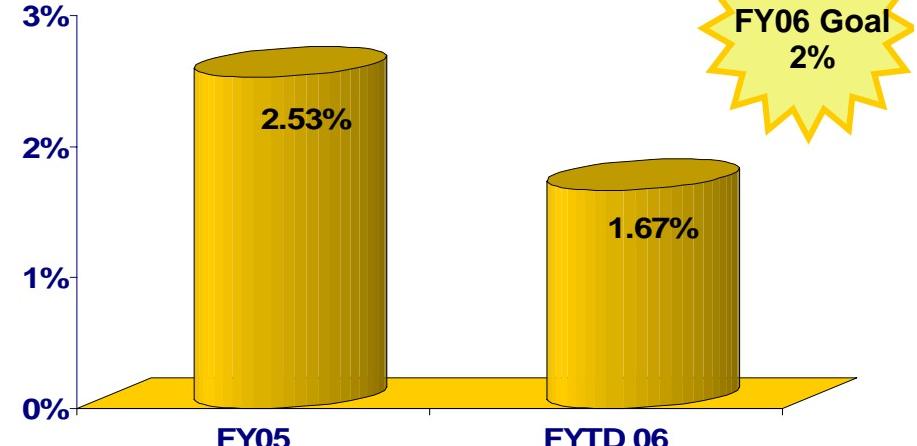


### Interest Paid



FYTD Data as of June 06.

### Overage Invoice Percentage

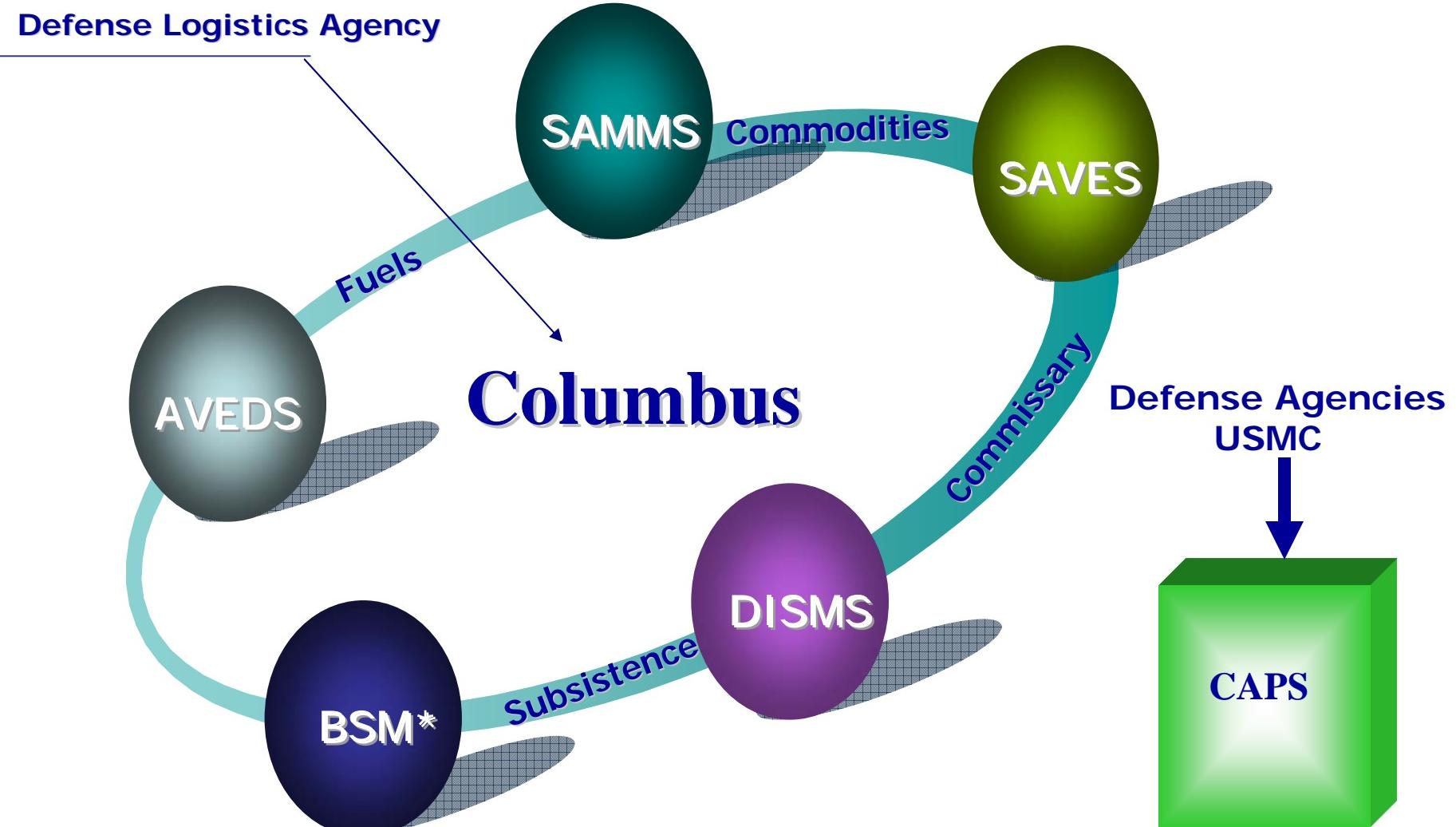


# *Vendor Pay Entitlement Systems*

- **AVEDS / FAS:** Automated Voucher Examination and Disbursing System / Fuels Automated System
- **BSM:** Business Systems Management
- **CAPS-Clipper:** Commercial Accounts Payable System – Clipper
- **CAPS-W:** Commercial Accounts Payable System – Windows
- **DISMS:** Defense Integrated Subsistence Management System
- **SAMMS:** Standard Automated Material Management System
- **SAVES:** Standard Voucher Examination System
  
- **CUFS:** College University Financial System – Omaha only
- **FABS:** Financial Accounting and Budgetary System – Pensacola only
- **IAPS:** Integrated Accounts Payable System
- **MSC:** Military Sealift Command
- **STARS-OP:** Standard Accounting and Reporting System – One Pay
- **SYMIS:** Shipyard Management Information System
- **DTRS:** Defense Transportation System
- **TMS:** Transportation Management System
- **TSS:** Transportation Support System
- **TFMS-M:** Transportation Financial Management System - Military

# *Vendor Pay Systems by Site*

# *Vendor Pay Systems - Columbus*



\* Business System Management designed to replace DSIMS

# *Vendor Pay Process - 3 Way Match*



**Legal Agreement for purchase of good or services.**



**Vendor Invoice submitted when good are shipped or services rendered.**



**Receipt document completed by government official when goods or services are received.**



**Disbursement voucher created; Electronic Funds transfer to bank account.**

# Non-Contractual Payments

## Miscellaneous Categories

- Training
  - Individual
  - College/University
- Utilities
  - Water
  - Gas
  - Telephone
- Transportation
  - Moving & Storage
    - Handling In
    - Handling Out
    - Temporary Storage
  - Freight
  - Personal Property



# *Vendor Pay Areas of Emphasis*

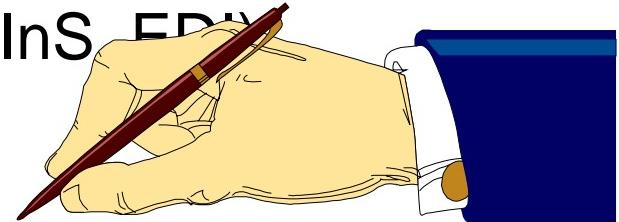
- Increase Electronic Commerce
- Customer Service - Provide Best Value
- Reduce Interest
- Increase Discounts Taken
- Eliminate Duplicate and Erroneous Payments
- Streamline and Standardize Processes

# *Vendor Pay Challenges*

- Receipt and Acceptance Documents
- Electronic Solutions
- Creating Efficiencies
  - Minimizing Re-work
  - Standardized Processes
- Maximize Resources

# What Can You Do To Help?

- Know Terms and Conditions of Your Contract
  - Bill Accordingly
- Invoice Electronically (WAWF, WInS, EPI)
  - Track Receipt of Invoice
- Receive Payment Electronically
  - Update/Validate your CCR Registration
- Utilize myInvoice



## Stock Fund Payment Division Payment Division

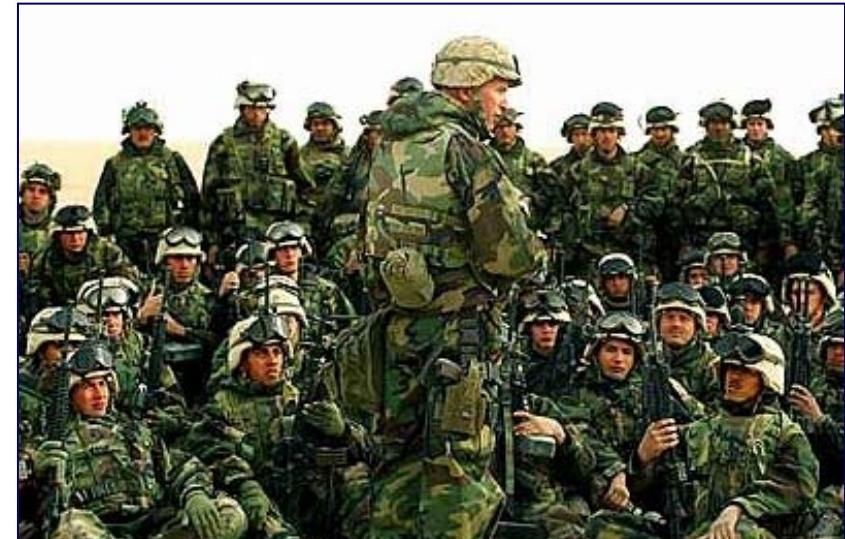
- Automated commercial vendor payments
- Standard Automated Materiel Management System
  - SAMMS
    - Construction
    - Electronics
    - General
    - Industrial
    - Clothing & Textile
    - Medical Commodities



*Meeting the needs of our Warfighters*

# What is BSM

- BSM = Business Systems Modernization
- Commercial Off-the-Shelf (COTS)
- Material Management
- Integrated System



*Working in support of our Warfighters*

# What is BSM (continued)

## ONE STOP SHOP

- Planning
  - Supply planning
- Procurement
  - Process purchase requests / purchase orders
  - Review planned orders
- Order Fulfillment
  - Receive and process sales orders and return requests
  - Issue and receive goods
- Finance
  - Examine and process payments to vendors
  - Verify posting to the account records
- BSM is a comprehensive system
  - All contractor / payment related information and history
  - Resides in one location

# BSM Release 1

- Concept Demo Phase
  - Implemented July 2002
  - 5% of DLA's supply items were converted 4 Defense Subsistence offices (DSO): Reduced initial implementation to include only 1 (Nashville DSO)
  - Resources realigned
  - Training
  - Development
  - Testing

# BSM Release 1.1

- Implemented November 2003
- Targeted Migration of Defense Integrated Subsistence Management System (DISMS) workload
- Battle Dress Uniforms (BDUs)
- Implemented Vendor Pay Inquiry System (VPIS)

# BSM Release 2

- Implemented for July 2004
  - All DISMS workload in BSM
  - Wide Area Workflow (WAWF) for Source Acceptance
  - Automated Advice of Payment (AOP)
  - Business Warehouse Reports
  - Data Archiving
  - Foreign Currency Payments
  - My Invoice replaced VPIS



# BSM Release 2.2

- Implemented January 2006
- Items transitioned from Computerized Accounts Payable System (CAPS) to BSM:
  - Power Track
  - Purchase Cards
  - Base Operating Supply System (BOSS) Contracts
  - Miscellaneous Payments
  - Service Payments

# EDM Implementation

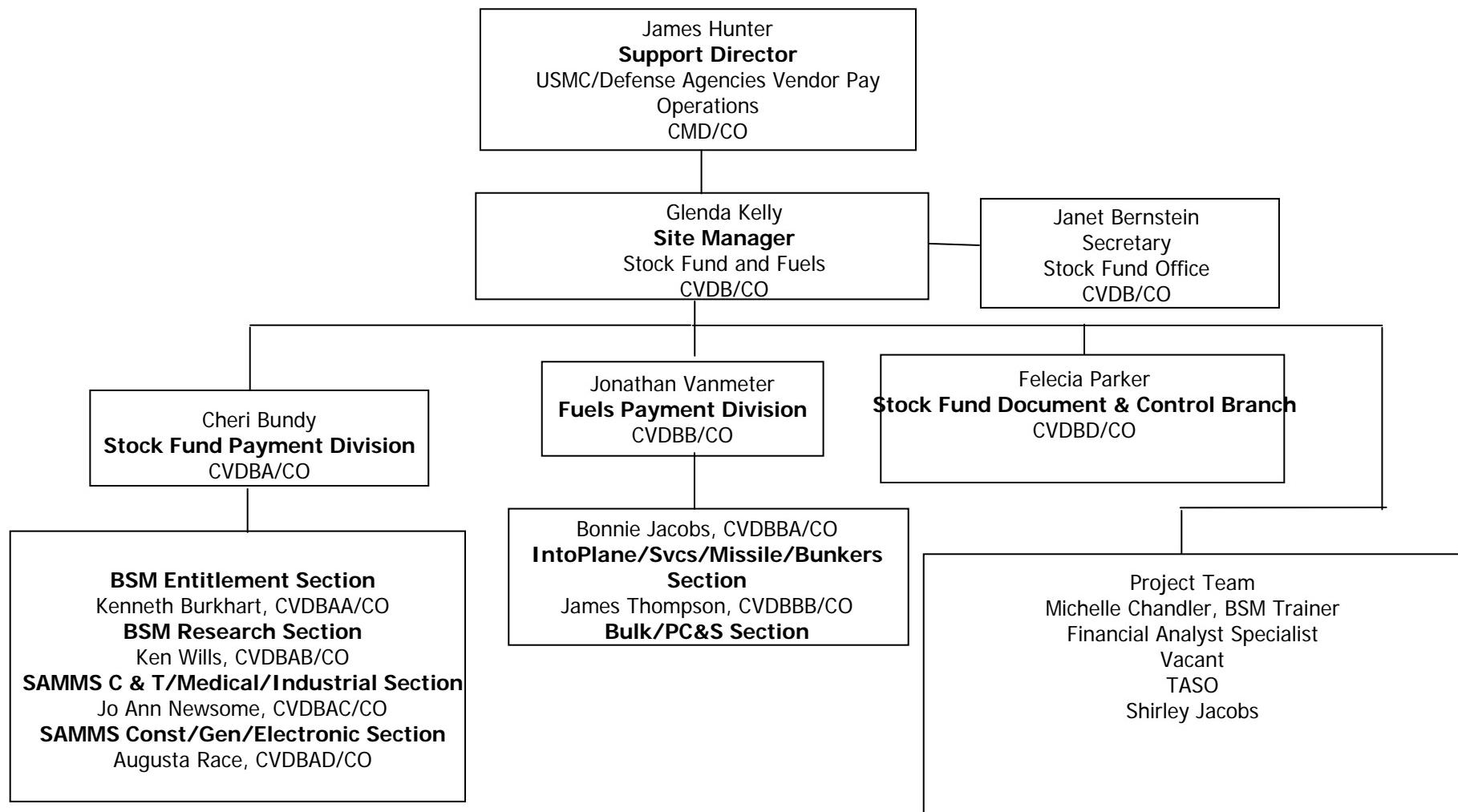
- Implemented May 19, 2004 for BSM
- Removes hardcopy invoices from individual workstations
- Indexed documents easily located using EDM search
- EDM contract folders maintain history of all incoming documents
- Provides workflow capability to review
  - And input documents in the payment system
- Provides management reports to
  - Track performance
  - Document status / age and production numbers
  - For monitoring the workload

# Identifying BSM Contracts

- Contract Number begins with **SPM** or **SPE**
- The line of Accounting is *always*  
**97 X 4930 5CBX 001 2630 S33150**
- Block 15 of the Contract (Payment Office) will be:

**DFAS-CVDBA (SL4701)**  
**P O BOX 369031**  
**Columbus, OH 43236-9031**

# Stock Fund Payment Division Points of Contact



# Keys to Success

- On-going communication
- Employee dedication
- Team effort

**Can Do! - Will Do!**



# Electronic Commerce

## Michelle Woldt

# Topics

- 1. Introduction**
- 2. Benefits**
- 3. EC Systems: How does it work?**
- 4. New Capabilities**
- 5. Getting Started Tools & References**

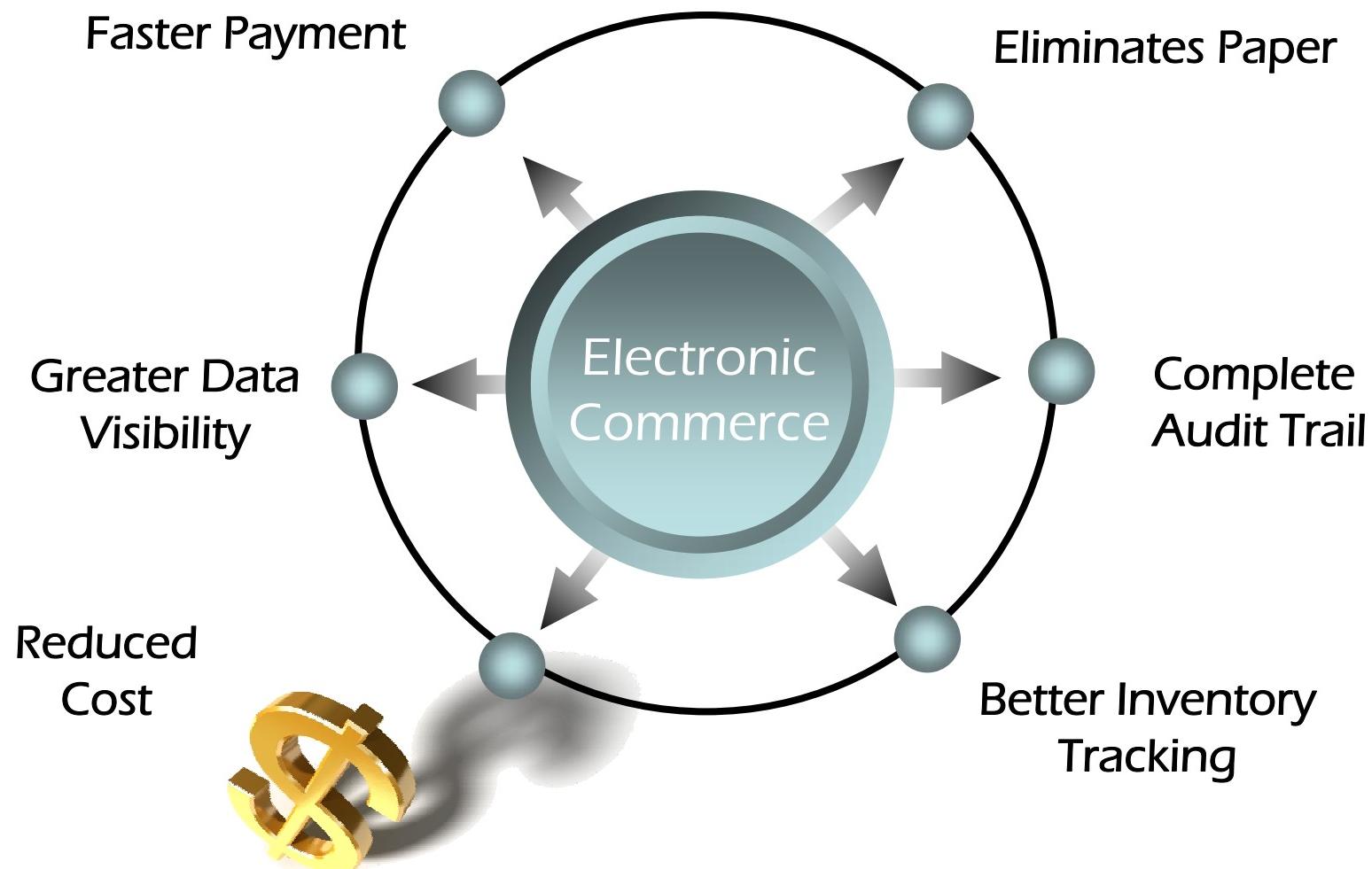
# What is Electronic Commerce?



- The use of communication technologies to transmit business information and transact business.

[www.dis.wa.gov/portfolio/Definitions.htm](http://www.dis.wa.gov/portfolio/Definitions.htm)

# Benefits of Electronic Commerce



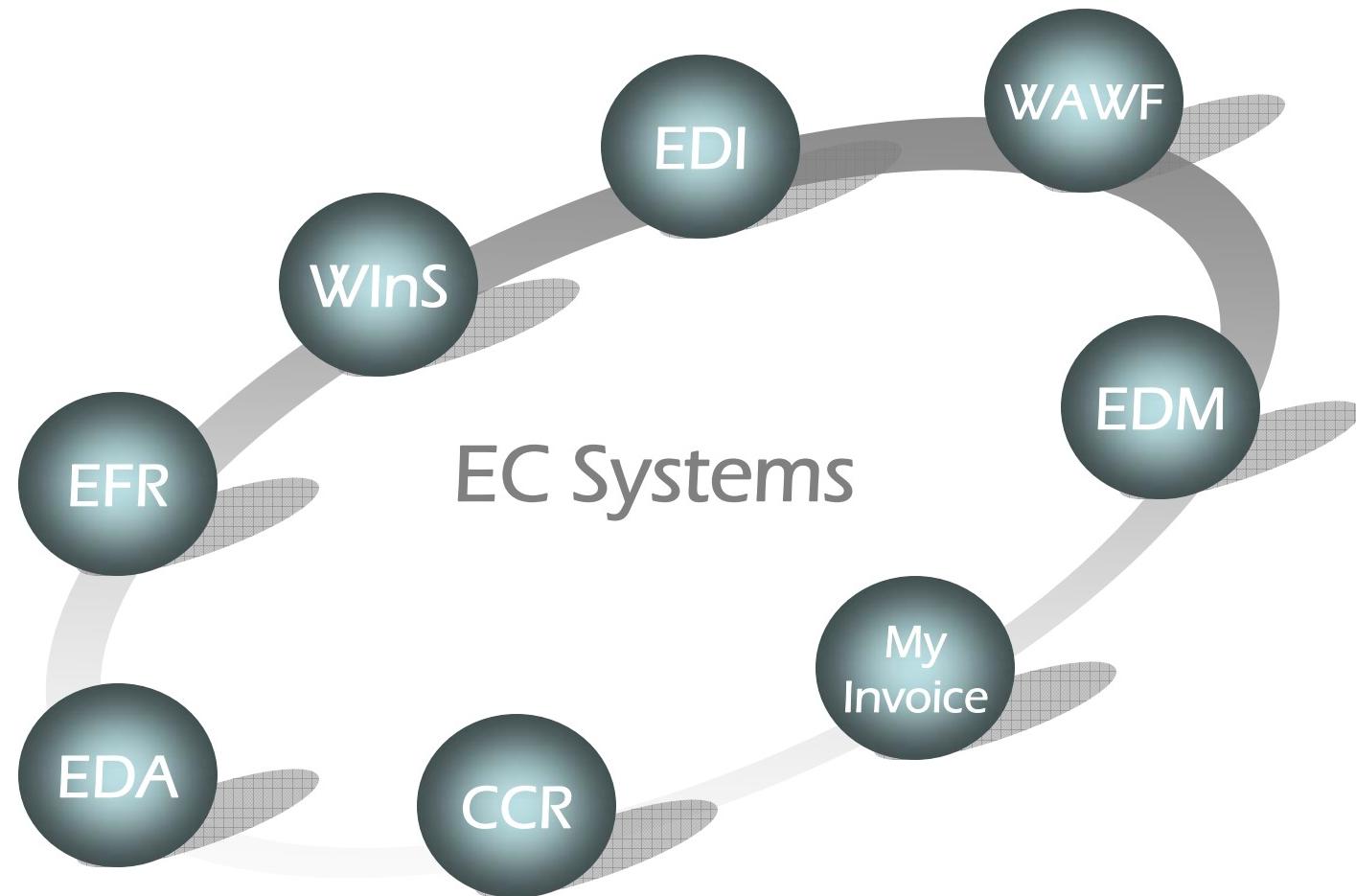
# Electronic Invoicing Mandate

- Contractors must submit invoices electronically.
- Mandated by Public Law: Section 1008 of National Defense Authorization Act of FY 2001
- DFAS updated to include requirement for electronic invoicing, effective for contracts issued after Feb 28, 2003.
- DFARS Clause 252.232-7003 (232.7004)
  - Requires electronic invoicing.
  - Requires electronic supporting documentation.
  - Identifies three acceptable electronic forms for transmission of invoices (WInS, WAWF and EDI).
  - Identifies six specific situations where EC is not required.

<http://www.acq.osd.mil/dpap/dars/dfars/index.htm>



# EC Systems

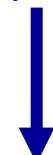


# How does it work?

1



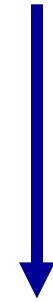
Vendor registers in CCR,  
remittance data transmitted to  
EC systems/CEFT



2



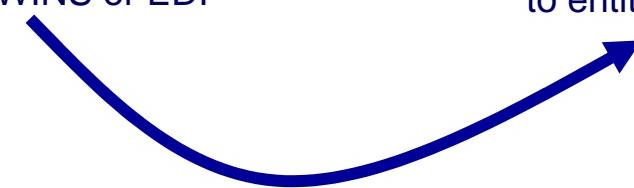
Contracts/mods,  
vouchers are  
posted to EDA/NAFI



3



Vendor enters invoice and  
shipment data into WAWF, or transmits  
invoices via WINS or EDI



5



Vendor receives payment  
via electronic funds transfer  
(EFT) and uses myInvoice  
to track their payment.

4



Government performs acceptance of  
goods and services in WAWF transmitted  
to entitlement/accounting systems



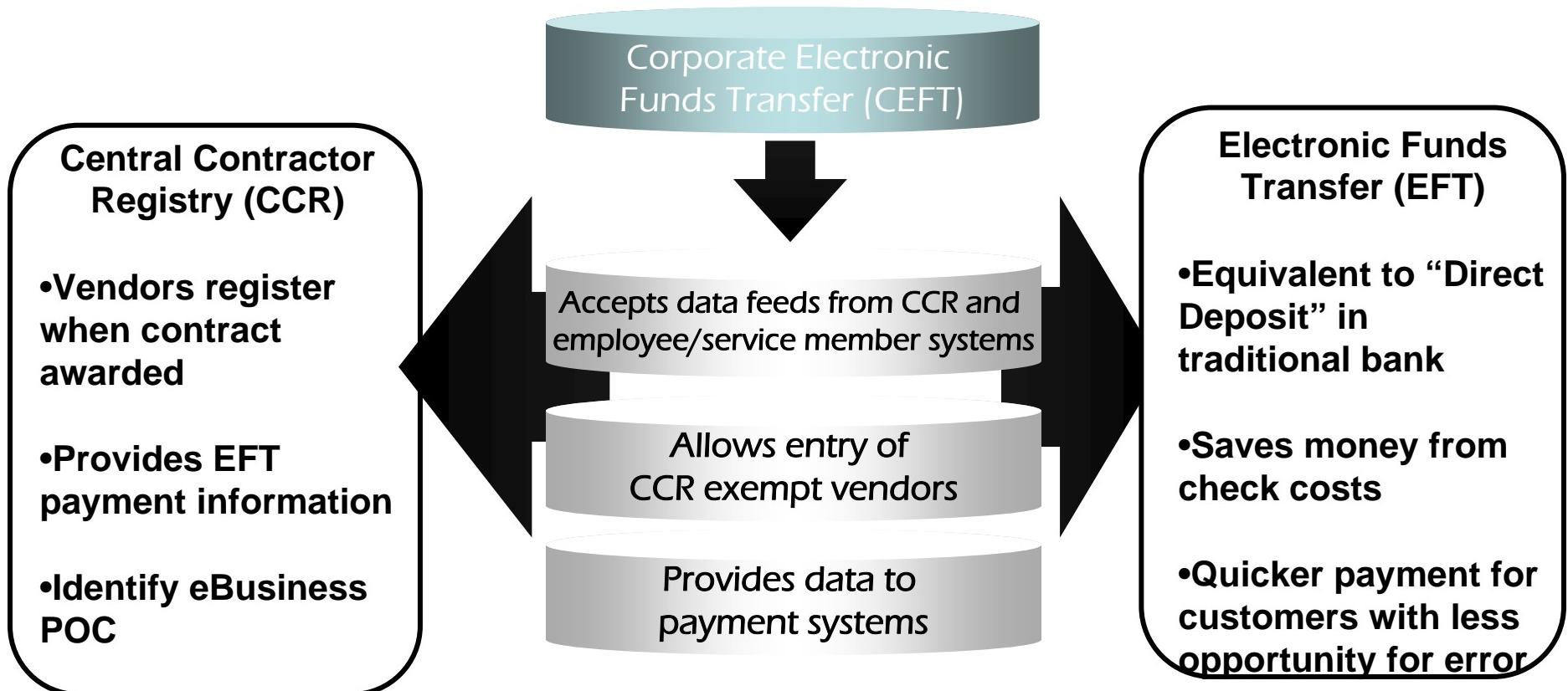
# How does it work? Step #1

1

**Vendor registers in CCR,  
remittance data transmitted to  
EC systems/CEFT**

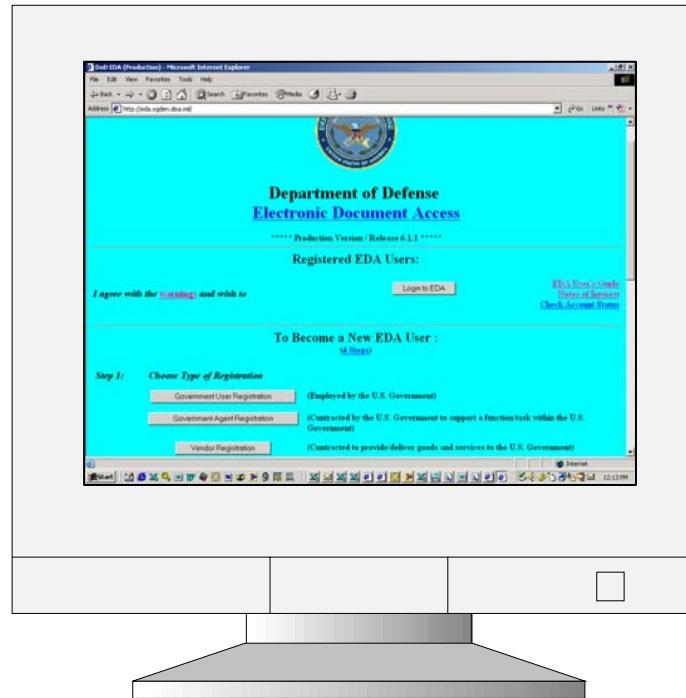


# CCR/CEFT/EFT



# How does it work? – Step #2

- ② Contracts/mods, vouchers are posted to EDA/NAFI



# Electronic Document Visibility



## Electronic Document Access

- Shared docs across DoD using Intranet and web technology.
- Repository for contractual data and payment vouchers
- Timely, searchable, archival, reduces data entry and costs.

## Electronic File Room

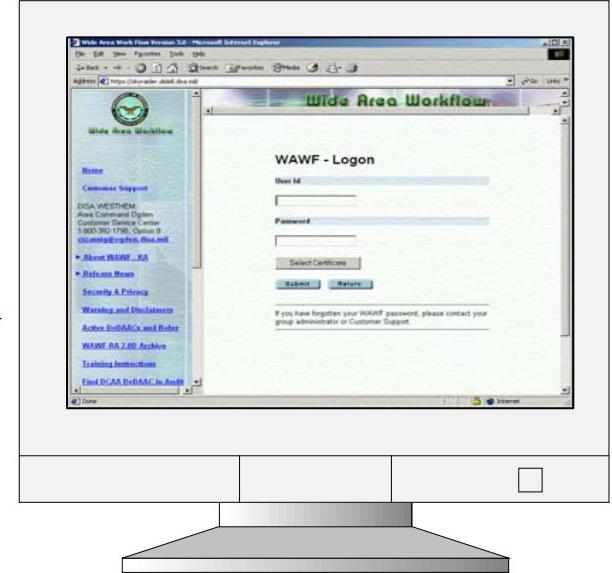
- Repository of official contractual documents.
- Read-only view of contracts, Mods, Invoices, vouchers, DoD forms, DFAS forms and other supporting obligation and disbursing documents.
- Non-DFAS organizations can have read-only access.

## Electronic Document Management

- Provides DFAS users with access to payment related documents and information.
- Involves collective application of imaging, electronic foldering and workflows.



## How does it work? – Step #3



- ③ **Vendor enters invoice and shipment data into WAWF, or transmits invoices via WINS or EDI**

# Wide Area Workflow (WAWF)



Click for  
Demo

Create CIRR

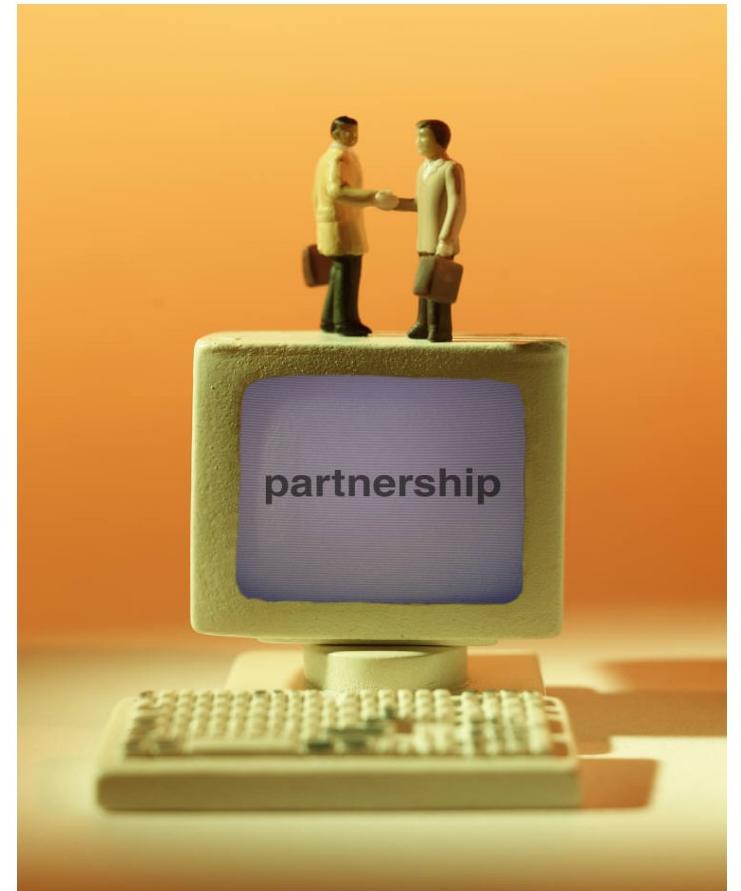
An interactive web-based application that allows vendors to electronically submit invoices and receiving reports, and the Government to inspect, accept, receive and pay electronically.

- PKI Enabled
- Allows government to digitally sign documents over the web
- Eliminates paper from the invoicing and receipt/acceptance process of the DoD contracting life cycle.
- Electronically transmits data to the entitlement systems for payment
- Uses e-mail to notify workflow users of document status
- Provides GLOBAL visibility to all users.

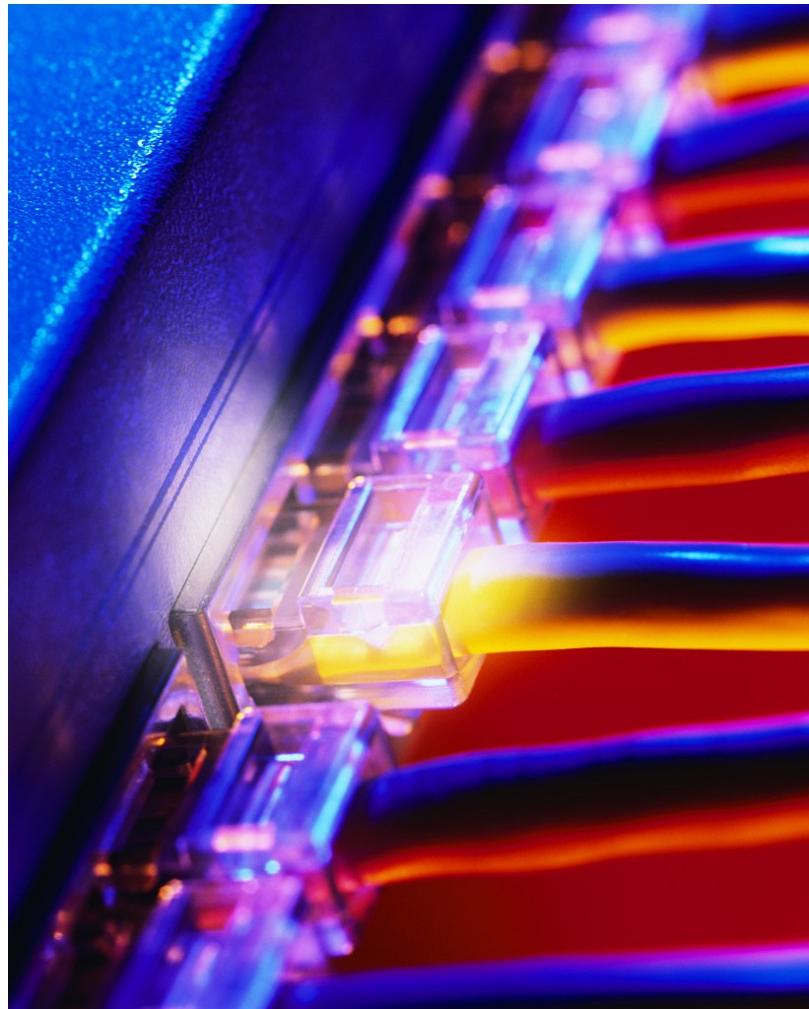
**Self Paced Training @ [www.wawftraining.com](http://www.wawftraining.com)**

# Web Invoicing System (Wins)

- Web-based application
- Allows vendors to submit invoices via:
  - on-line data entry
  - File Transfer Protocol (FTP)
- Invoices are translated into EDI 810 format and submitted to payment system.
- Certification through SEPS and ECS.



# Electronic Data Interchange (EDI)



- Computer to computer exchange of routine business information in a standard format
- Uses American National Standards Institute (ANSI) X-12 format.

Version 3010

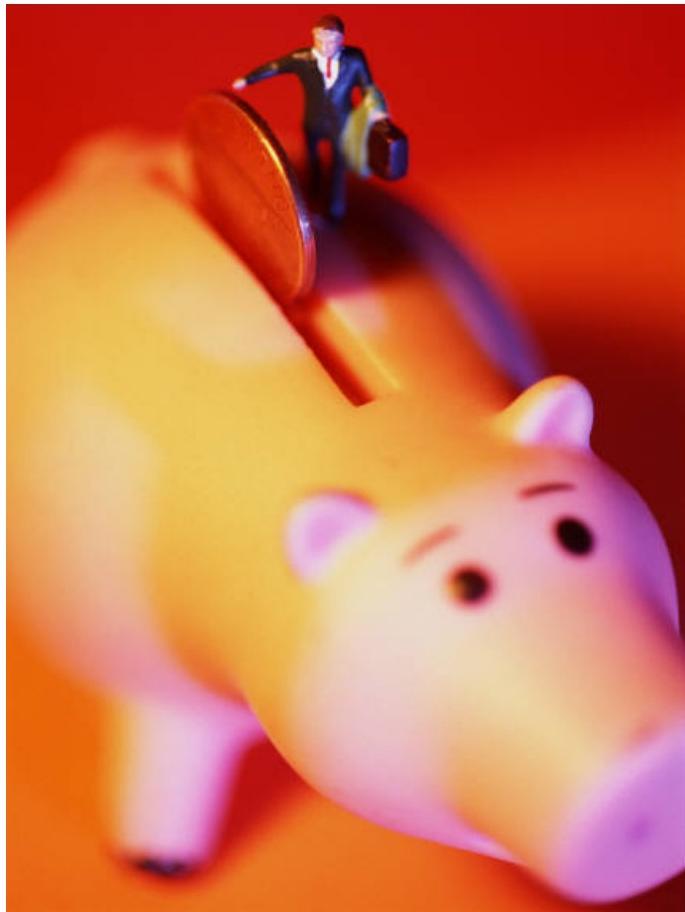
## How does it work? – Step #4



A screenshot of a web-based form titled "WAWF Acceptance Form". The form contains sections for "Routing Information" and "ACTION BY: FRY360". In the "Routing Information" section, fields include "Prime Contractor" (ACTIVE ELECTRONIC SECURITY), "Administered By" (FA0481), "CAGE Code" (2Y7B9), "Extension" (377 CONS CC), "Service Acceptor" (377 SFS-SETL), "Code" (FRY360), "Extension" (377 CONS CC), "Issue By" (FA0481), "DoD AC" (FA0481), and "Name" (ACTIVE ELECTRONIC SECURITY). In the "ACTION BY: FRY360" section, there are checkboxes for "Inspected", "Accepted and conforms to the contract except as noted", and "Reject to Initiator". A date field shows "2015/01/01". Below the form is a note: "I certify that the services have been received and were accepted." followed by a signature field and a "Signature Of Authorized Government Representative" field. At the bottom are "Submit", "Return", and "Page Help" buttons.

- ④ **Government performs acceptance of goods and services in WAWF transmitted to entitlement/accounting systems**

## Government Acceptance Using WAWF



- WAWF makes it fast and easy to accept goods and services.
- Use the “Create Receiving Report From Invoice” feature to cut data entry time.
- Missing RR's are the leading cause of overage and interest. Using EC for acceptance reduces costs and improves payment timeliness.



Click for  
Demo

Accepting CIRR

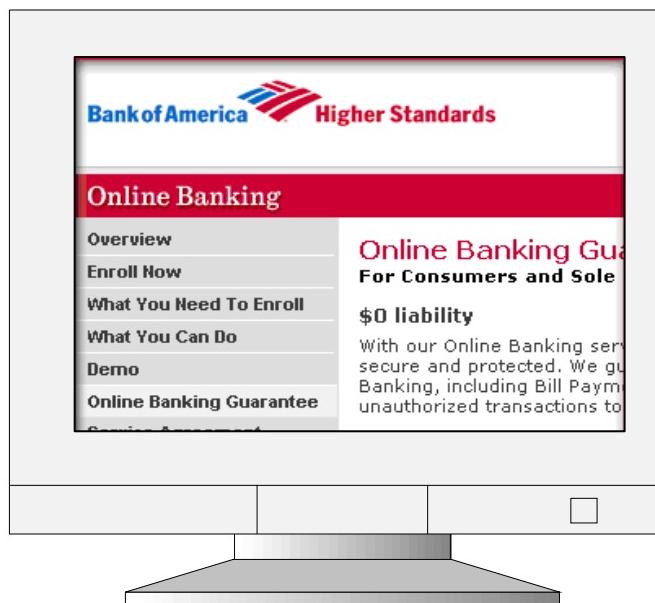


## How does it work? – Government perspective



GEX translates info into legacy entitlement systems.

## How does it work? – Step #5



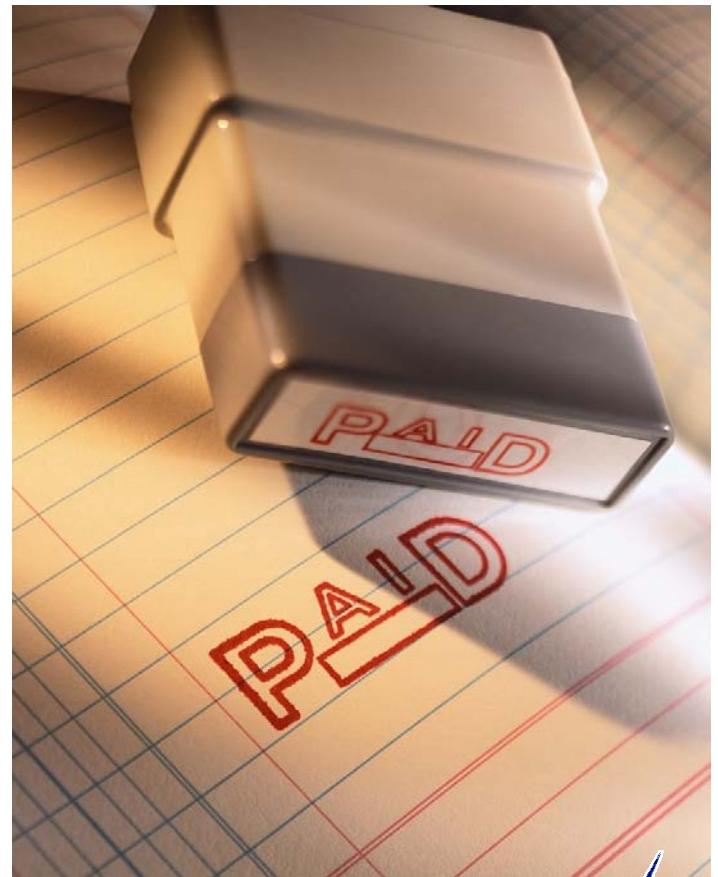
- 5 **Vendor receives payment via electronic funds transfer (EFT) and uses myInvoice to track their payment.**

# myInvoice

*Interactive system provides information on invoices submitted and paid.*

Contractors may:

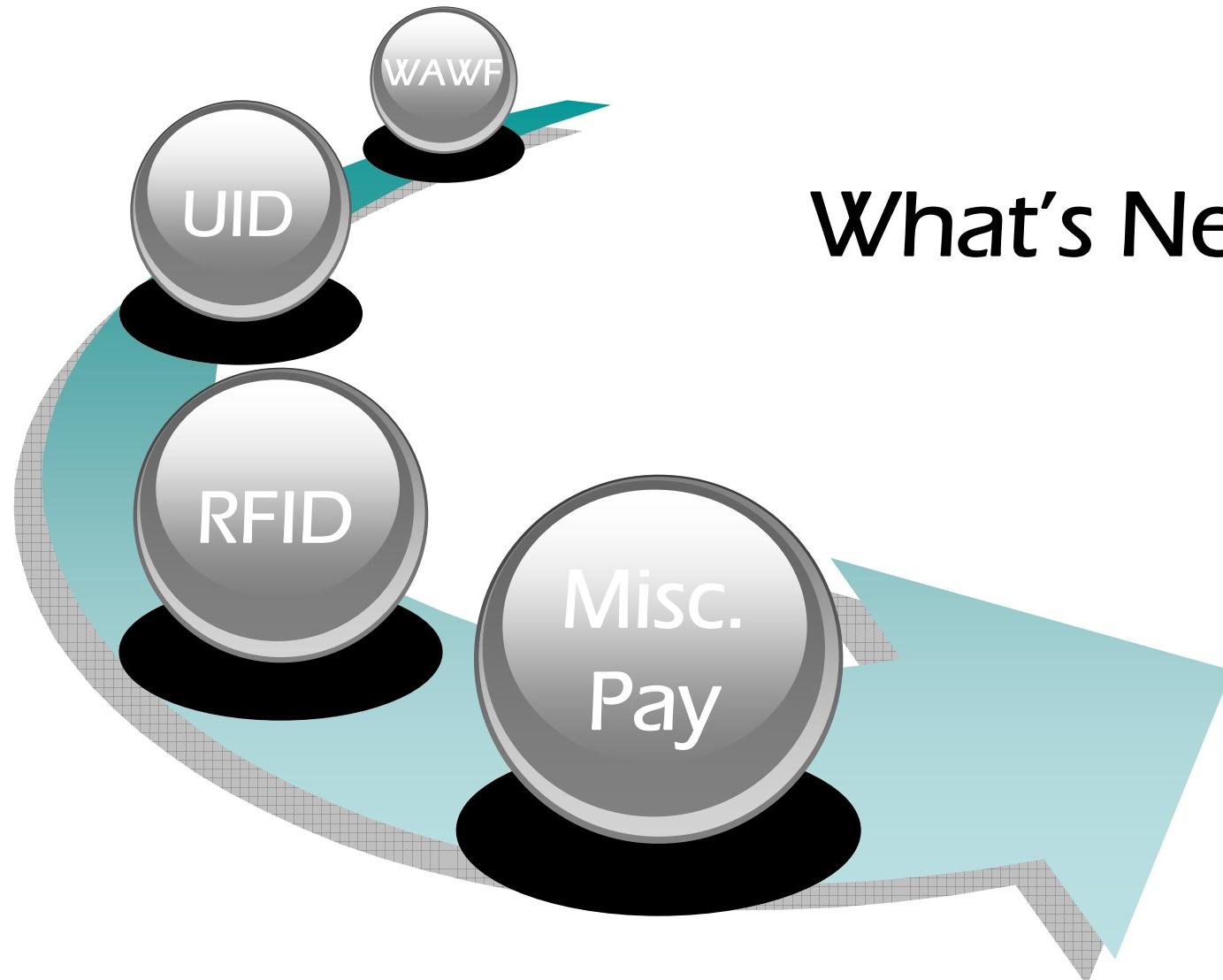
- Research the status of a recently filed invoice to see when payment will be issued or if there is an issue with payment processing.
- Obtain information associated with a payment including contract number, invoices covered, interest or freight included and tax or discount withheld.
- Receive e-mail notification of payments.



<https://myinvoice.csd.disa.mil/index.html>



## WAWF - New Capabilities



What's New

## Miscellaneous Payments

- WAWF is now capable of making misc. payments.
- Make payments for non-contractual items.

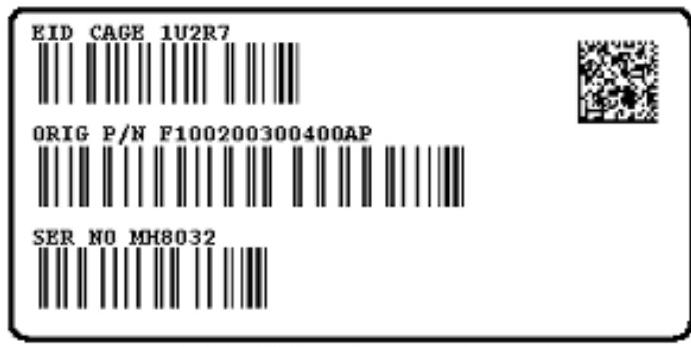


# Radio Frequency Identification (RFID)



- RFID technology is a means of identifying a unique object or a person using a radio frequency transmission.
- DFARS Clause 252.211-7006 The Contractor shall electronically submit advance shipment notice(s) with the RFID tag identification (specified in paragraph (d) of this clause) in advance of the shipment in accordance with the procedures at :  
[http://www.acq.osd.mil/log/rfid/advance\\_shipment\\_ntc.htm](http://www.acq.osd.mil/log/rfid/advance_shipment_ntc.htm)
- ***The current acceptable method for ASN submission is through Wide Area Workflow (WAWF).***
- ***The ASN is not a new process/transaction. It is the same existing Material Inspection Receiving Report (MIRR) transaction being sent to WAWF with additional data (RFID data elements) added to the transaction.***

# Unique Identification



Mil-Std-130 UID Construct 2 Label

UID is the combination of:

Enterprise ID	370521	
Serial Number	786950	
Original Part Number	1234	
Current Part Number	5678	

- Set of data marked on tangible assets that is globally unique. It ensures data integrity and quality throughout the life of the item.
- Helps to reliably locate, control, and value assets anywhere in the DoD supply chain
- ***UID data shall be submitted via Wide Area Work Flow (WAWF) or other electronic means.***
- ***The most recently released version of WAWF is now capable of capturing UID data.***
- ***For more information go to:  
<http://www.acq.osd.mil/dpap/UID/>***

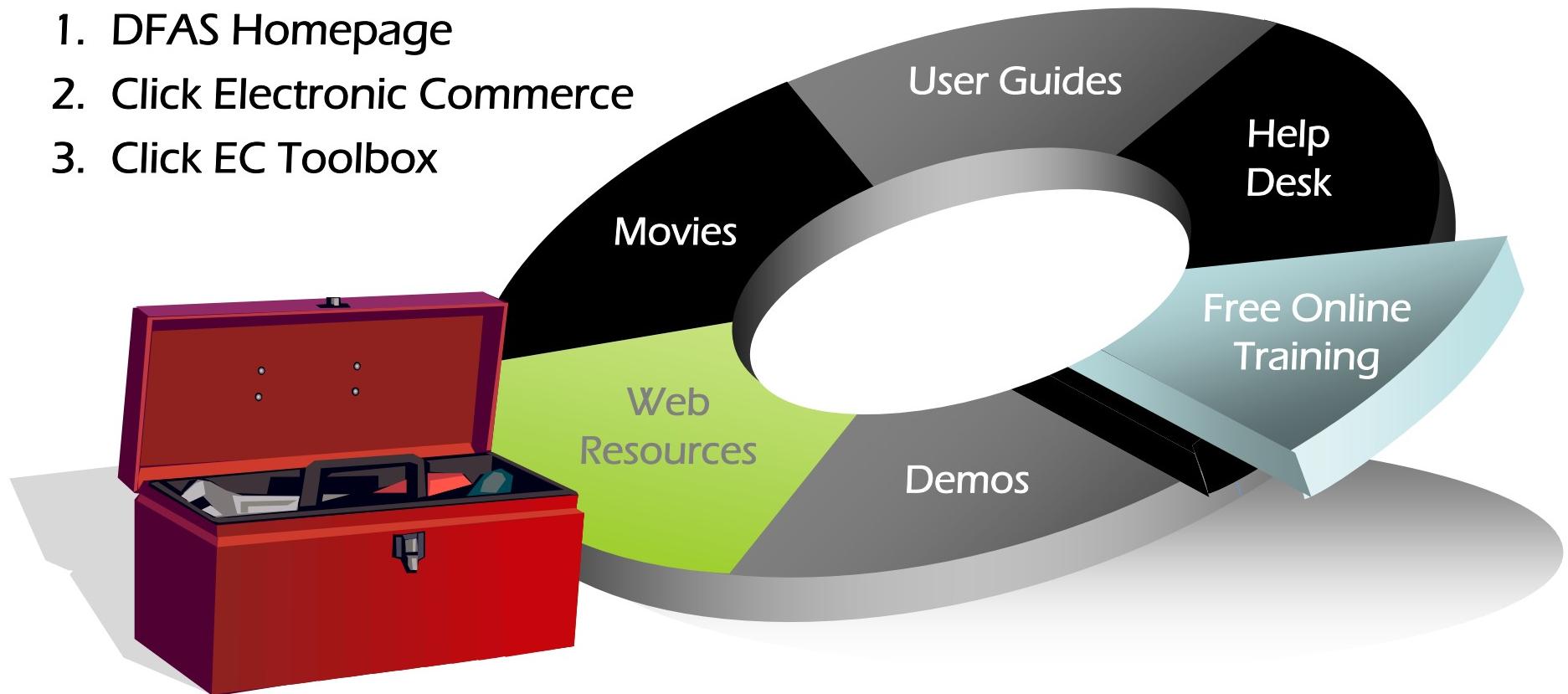
# Getting Started



# Electronic Commerce End User's Tool Box

Go to:

1. DFAS Homepage
2. Click Electronic Commerce
3. Click EC Toolbox



<http://www.dod.mil/dfas/contractorpay/electroniccommerce/ECToolBox.html>

## References

- Main DFAS EC Web Site

<http://www.dod.mil/dfas/contractorpay/electroniccommerce.html>

- WAWF production web-site

<https://wawf.eb.mil>

- WInS web-site

<https://ecweb.dfas.mil>

- EDA web-site

<http://eda.ogden.disa.mil/>

- myInvoice

<https://myinvoice.csd.disa.mil//index.html>



# Thank You!





**1<sup>st</sup> Choice Support for the Warfighter**



**DoD EMALL**



*Point, Click, Ship*  
*One Stop Support for the Warfighter!*

*Presented by Tony Griffin & Jackie Washington*



| Help Desk | Logout

**1st Choice Support for the Warfighter  
(Federal Buyers Welcome Too!)**

Shop Carts In Checkout Orders Admin Report



| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

## The FY 1999 DoD Authorization Act stated,

*“...the Joint Electronic Commerce Program Office of the Department of Defense shall develop a single, defense-wide electronic mall system, which shall provide a single, defense-wide electronic point of entry and a single view, access, and ordering capability for all Department of Defense electronic catalogs.”*

*The DoD EMALL was created to leverage purchasing power across agencies to provide the warfighter and other Federal Government Agencies with volume discounts from Military and Commercial suppliers*



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**1st Choice Support for the Warfighter  
(Federal Buyers Welcome Too!)**

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# DOD EMALL Supports the Field Level

## Pre-Deployment Support



## In-Theater Support



## Base Level Support



Deployment Lists  
Shopper/Orderer  
Workflow

NSN & Commercial Catalogs  
Re-Order Lists  
Order Tracking



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(Federal Buyers Welcome Too!)**

Shop Carts In Checkout Orders Admin Report



| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

## **DOD EMALL FACTS**

DOD EMALL did **\$560 Million in sales in 2005**

- 35,000+ user accounts on the DOD EMALL
- Adding 500 new users a week
- Users are DOD (All Services, National Guard, Reserves) and other Federal Agencies (DHS, FBI, etc.)

Small Business Friendly

1200+ Commercial Contracts hosted on DOD EMALL

- Over half are Small Businesses
- Additional Catalogs are added weekly



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## 1st Choice Support for the Warfighter (Federal Buyers Welcome Too!)



Shop Carts In Checkout Orders Admin Report

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» Home

You are not logged in

### Account

Welcome to DOD EMAIL!

User name

Password

**Login**

[Forgot your password?](#)

[New user registration](#)

[Shop as Guest](#)

### Stock Out Report Users, Take Note!

The Stock Out Report is under construction. Although the data appears to be available under the Reports tab, the information in the report is from 10 May 2006. A systems change is currently in process to correct logic that resulted in stock out conditions being reported when in fact there was stock on hand at DLA. The data in the report will be refreshed upon completion of that systems change request in late August 2006. The information in the Stock Out Report will be refreshed weekly thereafter. It is recommended that you use the report for training and navigation purposes only and that you refrain from using the data for decision making purposes until late August 2006. We are sorry for the inconvenience.

### General Information

- [Contacting the Help Desk](#)
- [DOD EMAIL Training](#)
- [Supplier's Corner](#)
- [DOD EMAIL Supplier's List](#)
- [Learn More about DOD EMAIL](#)
- [DOD EMAIL Policy Statements](#)

# Welcome To The DOD EMAIL Homepage!!

Use of the DOD EMAIL requires [Netscape Navigator 6.0+](#) or [Internet Explorer 6.0+](#) with cookies, pop-ups, and JavaScript enabled. This is a government web site that is subject to [monitoring](#). Viewing documents on the DOD EMAIL requires [Adobe Acrobat Reader](#).

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# 1st Choice Support for the Warfighter (Federal Buyers Welcome Too!)



Shop Carts In Checkout Orders Admin Report

| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

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- [Learn More about DOD EMAIL](#)
- [DOD EMAIL Policy Statements](#)

## Shop

### Catalog Search

*Catalog Search* allows the user to search by keyword, part number, UPC, catalog number, NIIN or NSN. You will also be able to browse by category or narrow your search according to particular attributes, e.g. price or supplier.

### Power Search

*Power Search* is a feature of DOD EMAIL that allows a user to manually search for up to two hundred part numbers, manufacturer part numbers or NSNs at one time. You can also import a text file for an easy way to search for multiple items without typing in each number.

### Product Comparisons

*Product Comparisons* allow the user to display more than one item, side-by-side to assist in review of product information such as Item description, Unit of Issue, and Price.

### Specialty Stores

*Specialty Stores* is where you will find collections of items built by DOD EMAIL for broad user groups. These collections contain like items in logical groups and are available to all users to speed up the shopping process. You can review each list and select multiple items from it for adding to a shopping cart.

### Competitive Pricing

*Competitive Pricing* (e.g. On Demand Manufacturing) occurs after the user adds an unpriced item(s) to a shopping cart, and before the user clicks "**Checkout**". It is used to request and receive competitive quotes from multiple vendors who are already on contract and have the ability to make a product or perform a service. A cart containing items that must be competitively priced cannot be checked out until those items are priced.

### Housing

*Housing* is used to initiate delivery orders with contracted housing suppliers. This application encompasses competitive pricing for housing requests, order management, and invoicing. Access to the Housing Module is by Special Permission only. Should you need access, proceed to the Special Permissions tab in My Account to apply.



| Help Desk | Logout

## 1st Choice Support for the Warfighter (Federal Buyers Welcome Too!)



Shop Carts In Checkout Orders Admin Report

| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

Region/Special Codes: Country: UNITED STATES Postal Code: 43218 [Shop for another user](#)

Cart Summary: Line Count: 1 Sum Total: \$12.00

**Change Corridor** [?](#)

All of DOD EMAIL

**Start A Search** [?](#)

**Keywords**  
batteries - AA

**NSN/Item Number**  
  
Equals

**Refinements**  
 Keep  Discard

[Clear](#) [Search](#)

**Refine Your Search** [?](#)

**By Category**

All NSNs  
Commercial (UNSPSC)  
Federal Catalog System  
Supplier Specific

**By General Attribute**

DAYS ARO  
PRICE  
SUPPLIER

### DOD EMAIL

#### Welcome to the DOD EMAIL Search Page

Search by keyword or part number. You can also browse by category or narrow your search according to particular attributes, e.g. price or supplier.

#### NSN Warning:

If you absolutely must have an NSN item, you should order an NSN item. When you order a manufacturer's part number, you are getting the manufacturer's commercial part which may or may not meet all of the technical requirements for the corresponding NSN.

Search History: [1](#) [2](#) [3](#)



| Help Desk | Logout

## 1st Choice Support for the Warfighter (Federal Buyers Welcome Too!)



Shop Carts In Checkout Orders Admin Report

| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

Region/Special Codes: Country: UNITED STATES Postal Code: 43218 Shop for another user

Cart Summary: Line Count: 1 Sum Total: \$12.00

### Change Corridor

All of DOD EMAIL

### Start A Search

#### Keywords

batteries - AA

#### NSN/Item Number

Equals

#### Refinements

Keep  Discard

**Clear**

**Search**

### Refine Your Search

#### By Category

Commercial (UNSPSC)

Supplier Specific

#### By General Attribute

DAYS ARO

PRICE

SUPPLIER

### Current Search:

Keyword: batteries - AA in Corridor: All of DOD EMAIL

Search History: [1](#) [2](#) [3](#) [4](#)

### Product Categories With the Most Frequent Matches

[BATTERY, NONRECHARGEABLE](#)  
 [CHARGER, BATTERY](#)  
 [LABELING MACHINE](#)

[CLOCK, WALL](#)  
 [CALCULATOR, ELECTRONIC](#)  
 [SHARPENER, PENCIL](#)

[BATTERY, STORAGE](#)  
 [BATTERY, DRY](#)  
 [FLASHLIGHT](#)

**Add Selected to Cart**

**Compare Selected**

### Products Found (12564):

Sort By: **Search Ranking**

1 2 3 4 5 6 7 8 9

#### BATTERY-AA

Supplier: [CATERPILLAR INC](#)  
Mfr. Part #: 1U9533  
Contract #: SP070099DS006 [IDIQ](#)  
[Change Permissions](#)

\$0.68 EA

Days ARO:

7 days

#### BATTERY-AA

Supplier: [CATERPILLAR INC](#)  
Mfr. Part #: 1U9538  
Contract #: SP070099DS006 [IDIQ](#)  
[Change Permissions](#)

\$0.59 EA

Days ARO:

7 days

#### Eveready AA Battery

Supplier: [BACO Enterprises, Inc.](#)  
Min. Order: \$150.00  
Mfr. Part #: EVE-E91SBP36H  
Catalog #: EVE-E91SBP36H  
Contract #: OPENMKT0115 [Open Market](#)  
  
Description: AA Battery  
[Change Permissions](#)

\$43.00 EA

Days ARO:

1 days



| Help Desk | Logout

## 1st Choice Support for the Warfighter (Federal Buyers Welcome Too!)



Shop Carts In Checkout Orders Admin Report

| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

### BATTERIES

Category: BATTERY, NONRECHARGEABLE  
Supplier: [Associated Supply Company](#)  
Min. Order: \$50.00  
Mfr. Part #: EVRE91SF-24  
Catalog #: 61  
Contract #: GS14F0046M [GSA FSS](#)

Description: AA BATTERIES

[Change Permissions](#)

SBA \$39.61 BX  [WADD](#)

CC  
S

Days ARO:  
2 days

### AL-AA AA BATTERY

Category: BATTERY, NONRECHARGEABLE  
Supplier: [Tidewater Electric \(Johnstone Supply, Inc.\)](#)  
Min. Order: \$108.00  
Mfr. Part #: AL-AA  
Catalog #: G21-865  
Contract #: SP073002DE007 [IDIQ](#)

Description: AL-AA AA BATTERY

[Change Permissions](#)

SBA \$0.46 EA  [WADD](#)

CC MIL

Days ARO:  
3 days

### AA ALKALINE BATTERY

Supplier: [Johnstone Supply](#)  
Min. Order: \$50.00  
Mfr. Part #: EN91  
Catalog #: G21-865  
Contract #: GS06F0027S [GSA FSS](#)

Description: AA ALKALINE BATTERY

[Change Permissions](#)

\$0.47 EA  [WADD](#)

CC

Days ARO:  
3 days

### General Batteries AA

Supplier: [Kipper Tool - Credit Card Only](#)  
Min. Order: \$27.00  
Mfr. Part #: EVEE91BP2  
Catalog #: EVEE91BP2  
Contract #: GS06F0018L [GSA FSS](#)

Description: AA; 2/Pk

[Change Permissions](#)

\$3.00 EA  [WADD](#)

CC

Days ARO:  
2 days

### General Batteries AA

Supplier: [Kipper Tool - Credit Card Only](#)  
Min. Order: \$27.00  
Mfr. Part #: EVEE91BP4  
Catalog #: EVEE91BP4  
Contract #: GS06F0018L [GSA FSS](#)

\$5.00 EA  [WADD](#)

CC

Days ARO:  
2 days



| Help Desk | Logout

**1st Choice Support for the Warfighter  
(Federal Buyers Welcome Too!)**

Shop Carts In Checkout Orders Admin Report



| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

## Product Search Using Filter Icons

JWOD items



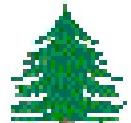
Small Business



UNICOR Items



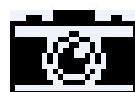
Environmentally Friendly



Material Safety  
Data Sheet Applies



Picture Available



NSN Cross Referenced

- Government Certified
- Contractor Certified



Payment Forms Accepted

- Fund Codes (MILSTRIP)
- Credit Card





| Help Desk | Logout

## 1st Choice Support for the Warfighter (Federal Buyers Welcome Too!)



Shop Carts In Checkout Orders Admin Report

| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

Address



Site search:

[Customer Contact Center](#)  
(24 hr/7day)

[Business Systems Modernization \(BSM\)](#)

[DLA-BSM Internet Bid Board System \(DIBBS\)](#)

[DSCC Internet Bid Board System \(DIBBS\)](#)

[Points of Contact](#)

[Administrative Services](#)

[DoD Electronic Mall \(EMAIL\) Information](#)

[DLA Small Business Program](#)

[Freedom Of Information Act \(FOIA\)](#)

[Columbus Federal Voice](#)

[About DSCC](#)

[Organization Chart](#)

[Contact Us](#)

[Operational Status - Normal](#)

## Defense Supply Center Columbus

*Taking the Lead in Land and Maritime Support*

Buying  
from DSCC



Selling  
to DSCC



Search  
the DSCC Site



Library  
Documents



News  
and Events



Links  
to Related Sites



[See Today's Announcements](#)



| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

Address



## Defense Supply Center Columbus

*Taking the Lead in Land, Maritime*



### DoD Electronic Mall (EMALL) Solicitation Information

#### Offices of Assistance

Site search:

[DSCC Home](#)

[Buying from DSCC](#)

[Selling to DSCC](#)

[Detailed Searches](#)

[Library](#)

[News](#)

[Links](#)

[Contact Us](#)

Welcome to the Defense Supply Center Columbus DoD Electronic Mall Page. The DoD EMALL is a one-stop Internet shopping site that gives Military shoppers an alternative to traditional buying processes used by DoD.

The DoD EMALL offers you access to DoD customers from around the world! Getting connected to the DoD EMALL is not difficult. Help is available should you need it. Suppliers not represented on the DoD EMALL are missing out on significant potential sales. This is an opportunity to increase your Defense business. If you offer quality products with competitive commercial pricing and delivery, we want you on the DoD EMALL team! If you already hold a long-term contract with DSCC, contact us about transitioning to an electronic catalog contract!



#### **Documents:**

**VENDORS:** A new DoD EMALL Solicitation will be issued soon. Please provide your email address to, [DoD.emall@dscc.dla.mil](mailto:DoD.emall@dscc.dla.mil) . You will be added to the EMALL e-mailing list.

#### **Links:**

- [DoD EMALL Help-- "How To's"](#)   
Provides the technical information required for participation in the DoD EMALL
- [DoD Electronic Mall \(EMALL\)](#)   
Allows Military customers worldwide to "shop" for their requirements and place orders.
- [Defense Supply Center Columbus \(DSCC\) DoD EMALL Solicitation](#)  (444 kb)
  - [DoD EMALL Amendment](#)  (83 kb)
  - [DSCC Catalog Template](#)  (39 kb)
- [Defense Supply Center Philadelphia \(DSCP\) DoD EMALL Solicitation](#)



## 1st Choice Support for the Warfighter (Federal Buyers Welcome Too!)

[Shop](#) [Carts](#) [In Checkout](#) [Orders](#) [Admin](#) [Report](#)[Catalog Search](#) | [Power Search](#) | [Product Comparisons](#) | [Specialty Stores](#) | [Competitive Pricing](#) | [Housing](#) |

1 of 42

**DEFENSE SUPPLY CENTER, COLUMBUS**  
**POST OFFICE BOX 3990**  
**COLUMBUS, OH 43216-5000**

IN REPLY  
REFER TO DSCL-DOM

February 02, 2006

We invite you to submit a proposal to join the Department of Defense Internet shopping service called DOD EMALL, the Department of Defense Electronic Mall. The DOD EMALL is an Internet based Electronic Mall, which allows our Military customers and other authorized worldwide customers to 'shop' via a web page for the commercial products they need. Our military and federal customers may choose to order by Government MILSTRIP requisition or by using the Government purchase credit card.

Participation on the DOD EMALL is free of charge to all vendors. All that is required is a DOD EMALL contract and the ability to participate in the DOD EMALL e-commerce architecture. The DOD EMALL offers you the potential to increase your sales while reducing your administrative costs. Your participation in the DOD EMALL allows you to update prices, display parts availability or delivery, show technical specifications, pictures of your merchandise, and choose how you want to receive your orders (EDI delivery orders or electronic mail). You will enjoy worldwide exposure for your products targeted directly to Military and Federal end-use customers, 24 hours a day, and 7 days a week. DLA adds a 7.2% surcharge to prices, paid by customers, to cover EMALL administrative costs. DOD EMALL is at <http://www.emall.dla.mil>

Joining the DOD EMALL team is easy. A copy of the DOD EMALL solicitation is available at <http://www.dscc.dla.mil/programs/Email/> or by contacting Jacqueline Washington, [Jacqueline.washington@dla.mil](mailto:Jacqueline.washington@dla.mil), (614)-692-5372 or Jim Secrist, [james.sechrist@dla.mil](mailto:james.sechrist@dla.mil), (614) 692-7346



| Help Desk | Logout

**1st Choice Support for the Warfighter  
(Federal Buyers Welcome Too!)**

Shop Carts In Checkout Orders Admin Report



| Catalog Search | Power Search | Product Comparisons | Specialty Stores | Competitive Pricing | Housing |

## **How To Become A DOD EMALL Supplier**

- Review/Download Online Solicitation
- Contact the Contracting Officer for Details
- Complete the Solicitation
- Consider Posting an Open Market Catalog  
(Supplier's catalog can be put on DOD EMALL as an Open Market Catalog before contract is written, if requested by customer)
- Complete the solicitation and provide your discounted price list on a spreadsheet. (template online)

## Becoming An EMALL Supplier (Continued)

- Review the cover letter for Fill-ins
- Other details that are provided by the Supply Account Manager (SAM), such as catalog hosting, software encryption (PGP) information, supplier welcome page, other cataloging format issues are available on the DOD EMALL website.
- The DOD EMALL Business Rules are also available on our website. These Rules must be reviewed and signed by suppliers who do not have a current government contract.



# Welcome To DSCC

## 28 August 2006





# Commander's Intent



**Performance**

Improve Customer Support  
and Backorder Reduction

**Transformation**

Execute BSM and Support  
BRAC Decision Requirements



**Culture**

Enhance Associate Capability Development



# Agenda

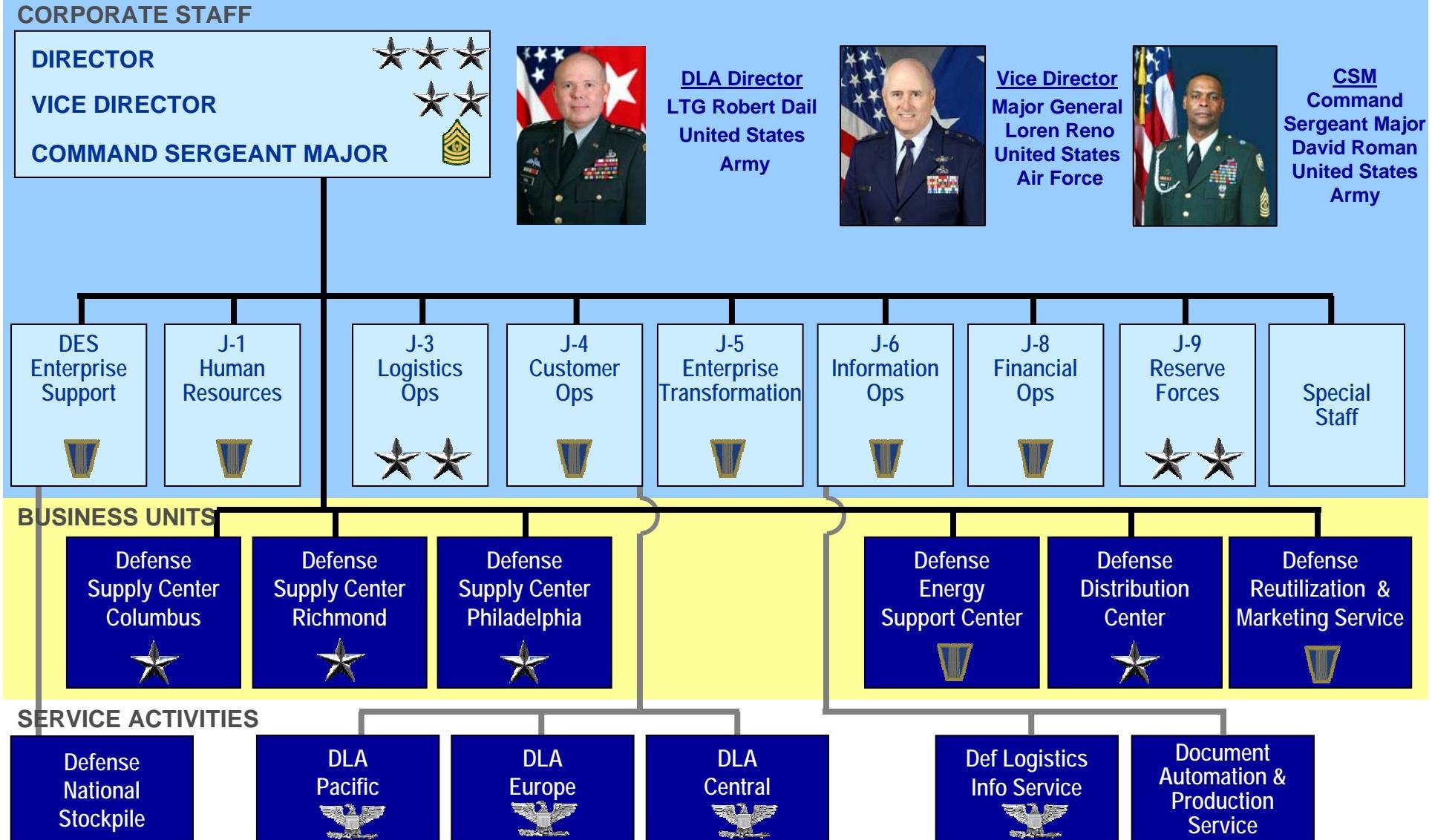


- DLA Overview
- DSCC Installation
- DSCC ICP
  - Organization
  - Our People
  - Mission
- BSM Transformation
- BRAC





# DLA ICP Overview... Organization





# DLA ICP Overview... Supply Chains of DLA



Aviation	Land	Maritime	C&T	Medical	Subsistence	C&E	Energy
Richmond	Columbus		Philadelphia				Ft. Belvoir
<ul style="list-style-type: none"> <li>• Aviation Original Equipment Manufacturer (OEM) Items</li> <li>• Engines &amp; Airframes</li> <li>• Aviation Supply Chain Commodities</li> </ul> 	<ul style="list-style-type: none"> <li>• Wheeled Vehicles</li> <li>• Tracked Vehicles</li> <li>• Batteries</li> <li>• Nuts &amp; Washers</li> <li>• Converters</li> </ul> 	<ul style="list-style-type: none"> <li>• Fluid Handling</li> <li>• Electronics</li> <li>• Bearings</li> <li>• Motors</li> <li>• Packing/Gaskets</li> </ul> 	<ul style="list-style-type: none"> <li>• Recruit Clothing</li> <li>• Organizational Clothing Equipment</li> </ul> 	<ul style="list-style-type: none"> <li>• Pharmaceutical</li> <li>• Medical/Surgical Equipment</li> </ul> 	<ul style="list-style-type: none"> <li>• Institutional Feeding</li> <li>• Operations Rations</li> <li>• Produce</li> </ul> 	<ul style="list-style-type: none"> <li>• Construction</li> <li>• Equipment</li> </ul> 	
			BSM				FAS



# The DLA Enterprise as of June 2006



FY01 Sales/Services:	\$17B
FY02 Sales/Services:	\$21.5B
FY03 Sales/Services:	\$25B
FY04 Sales/Services:	\$28B
FY05 Sales/Services:	\$31.8B
FY06 Projection:	\$35.0B

- Land/Maritime: \$3.3B
- Aviation: \$3.5B
- Troop Support: \$12.9B
- Energy: \$11.7B
- Distribution: \$2.5B
- Other: \$1.0B

- ~95% of Services' repair parts
- 100% of Services' subsistence, fuels, medical, clothing & textile, construction & barrier materiel

## Foreign Military Sales

- Sales: \$1.18B
- Shipments: 535K
- Supporting 124 Nations

## Scope of Business

- 54,000 Requisitions/Day
- 8,200 Contracts/Day
- #58 Fortune 500 – Above Sprint Nextel
- #2 in Top 50 Distribution Warehouses
- 26 Distribution Depots
- 5.2 Million Items – eight supply chains
- 25M Annual Receipts and Issues
- 1411 Weapon Systems Supported
- 132.8M Barrels Fuel Sold
- \$14.6B Annual Reutilizations/Disposals

## People

- 20,805 Civilians
- 519 Active Duty Military
- 754 Reserve Military
- Located in 48 States/28 Countries



# Agenda



- DLA Overview
- DSCC Installation
- DSCC ICP
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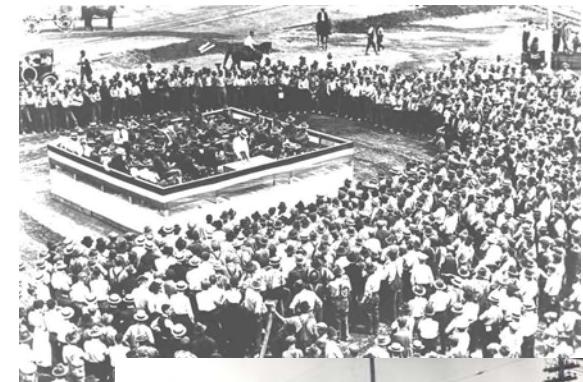




# DSCC Installation... The History

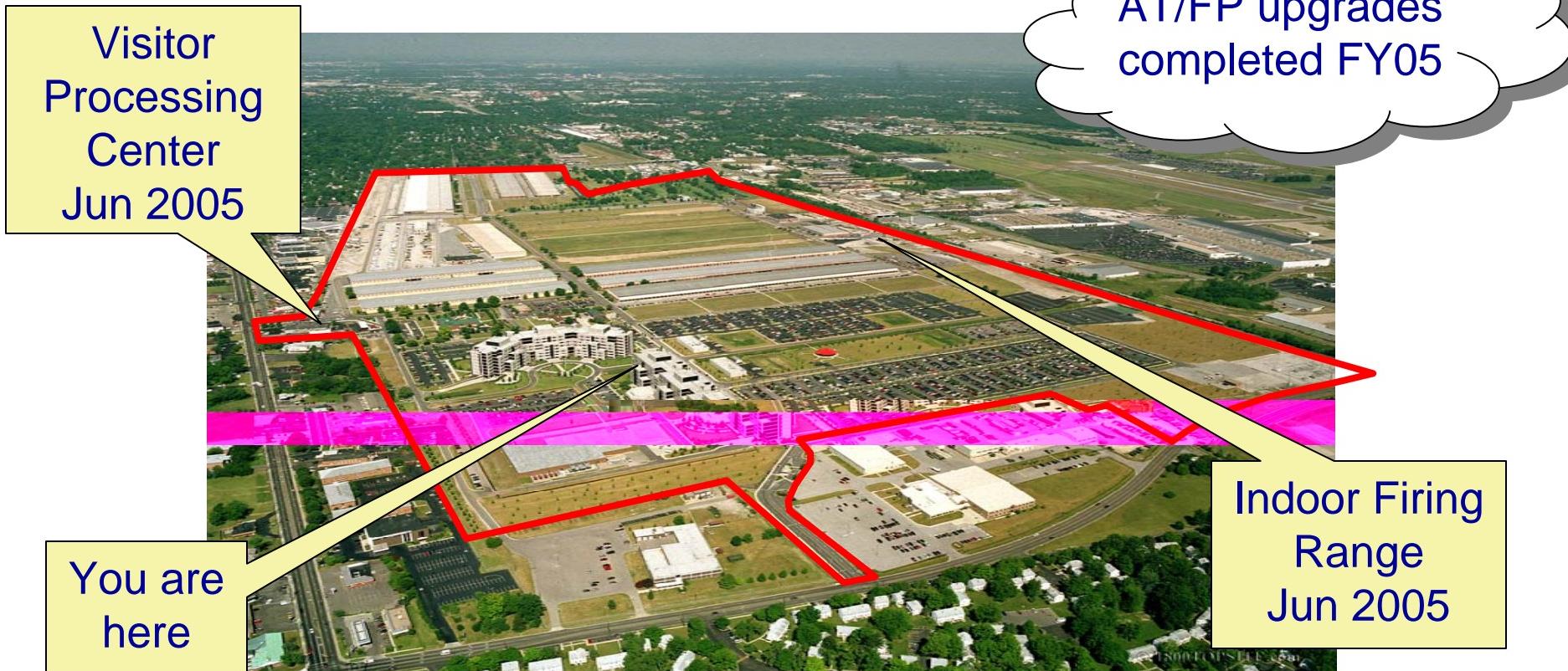


- Proximity to major rail line
- Construction began May 1918
- 600 acres during World War II...largest joint military installation...10,000 civilians
- Warehousing downsized in early '90s
- 1990s Base Realignment mission expansion





# DSCC Installation... Today



Defense Supply Center Columbus and  
25 Tenant Organizations



# DSCC Installation... Tomorrow



Expanding capabilities for the future



# DSCC Installation... Tenants...The Numbers



	DSCC	DFAS	OTHER
Military	75	10	31
Civilian	2521	2051	580
Contractor	253	152	131
<hr/>	<hr/>	<hr/>	<hr/>
Total	2849	2213	742
BRAC	24	628	1325
<hr/>	<hr/>	<hr/>	<hr/>
Total	2873	2841	2067



Includes 800 Army Reserve/Natl Guard

Total installation population growing to 7700+



# Agenda

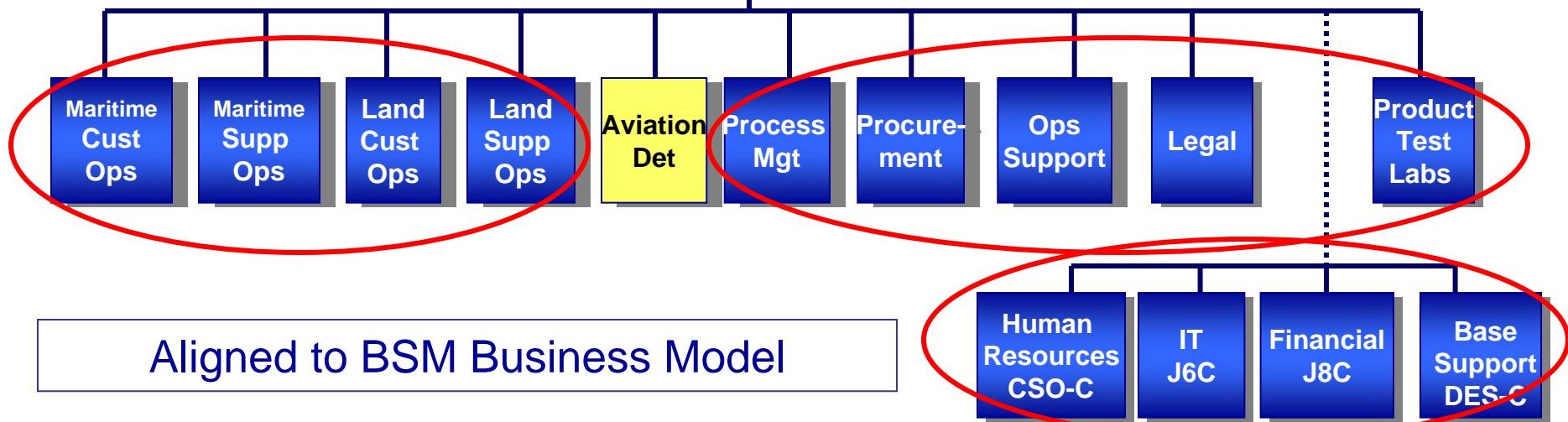
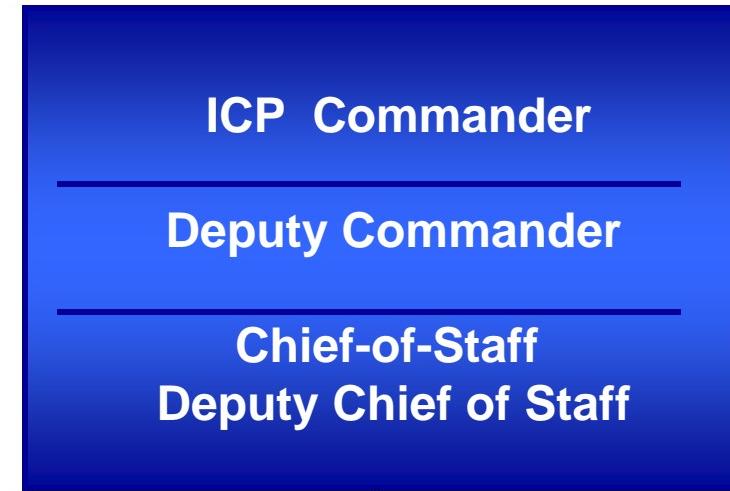


- DLA Overview
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# DSCC ICP... Organization





# DSCC ICP... Business Profile



## Sales Trend

- FY02 \$2.3B
- FY05 \$3.1B
- FY06 (proj) \$3.3B

## Sales by Supply Chain

- Land \$1.4B
- Maritime \$1.7B
- Aviation \$0.6B\*

## Foreign Military Sales

- Sales: \$240M
- Supporting 90 nations



**MAROTTA**

**Warren**

**KOSH**

**YORK**  
Leading the World in Heating,

**GENERAL DYNAMICS**  
*Strength On Your Side.*

**DRESSER-RAND**

**CAM General**

## Scope of Business

- 8.2M requisitions/yr
- 525K contracts/yr
- 2M NSNs
- 1.3K+ weapon systems
- 25K+ customers
- 6K+ suppliers



## Our People

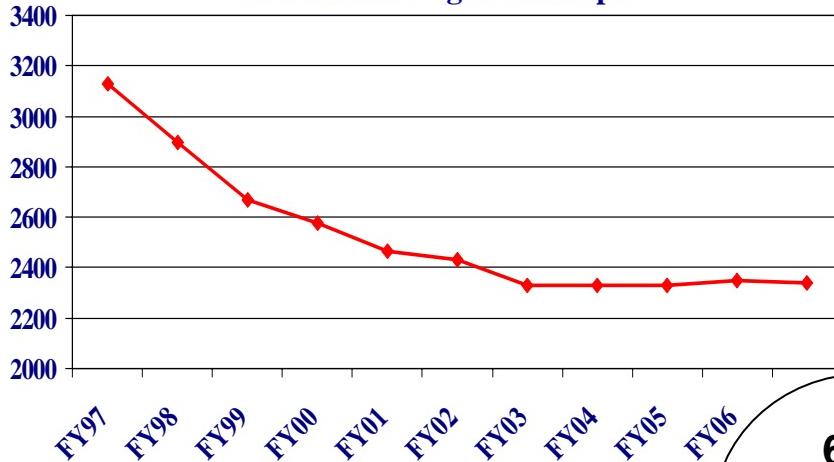
- 2500+ civilians
- 43 active duty
- 32 reserve



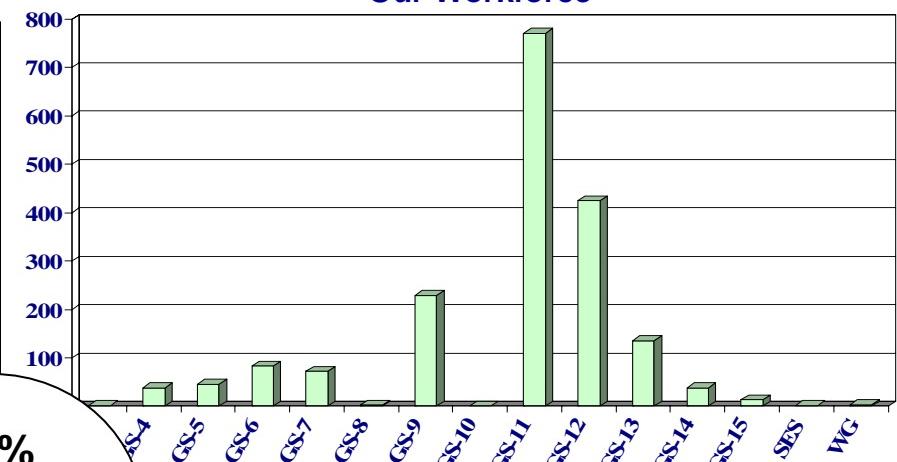
# Our People... Profile



DSCC's Staffing Glide Slope



Our Workforce

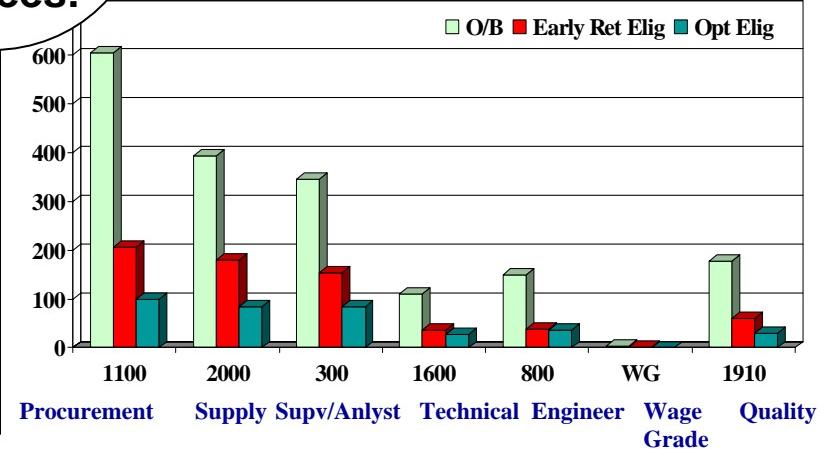


DSCC Educational Levels

• Less Than High School	16	0.8 %
• High School	689	37.5 %
• Associate Degree	301	16.2 %
• Bachelor's Degree	655	35.3 %
• Master's Degree	189	10 %
• Doctorate	4	.2 %
	<b>1854</b>	<b>100 %</b>

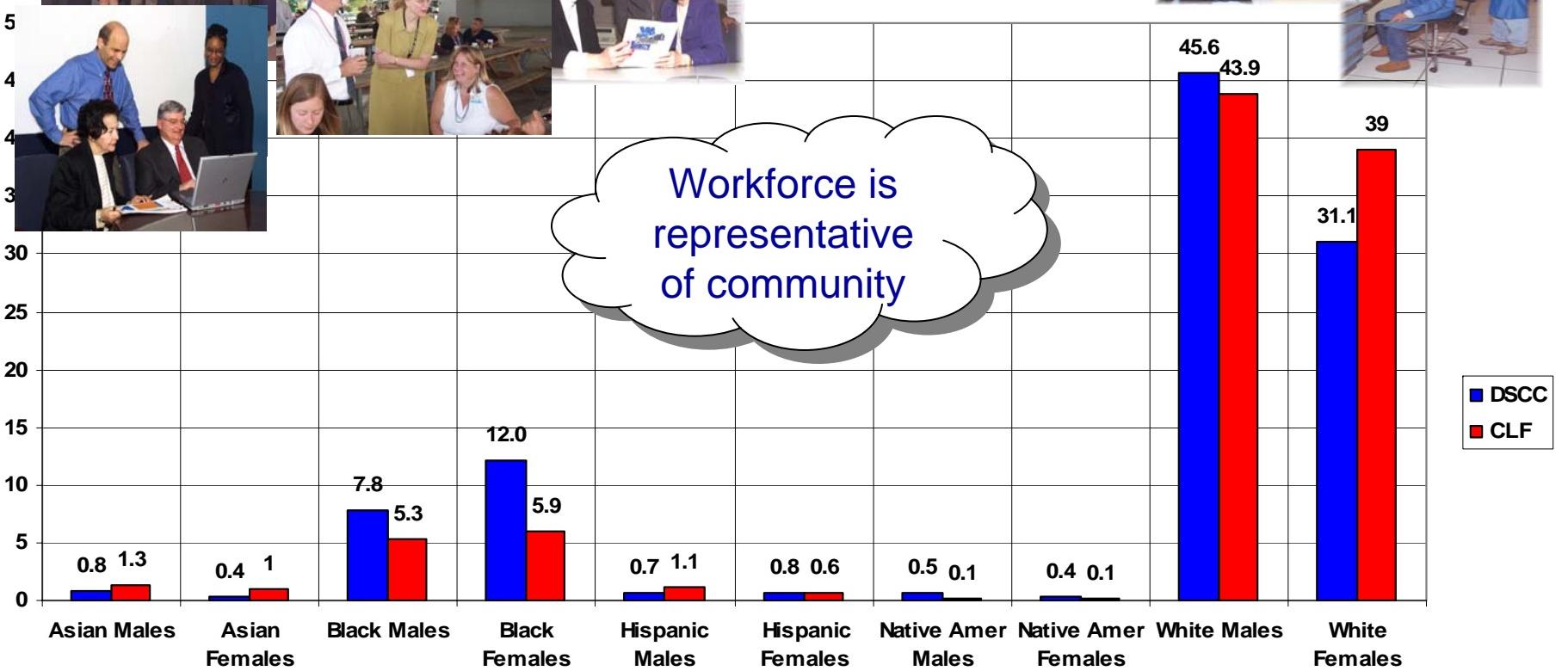
**62%  
have  
college  
degrees!**

Transitioning Workforce



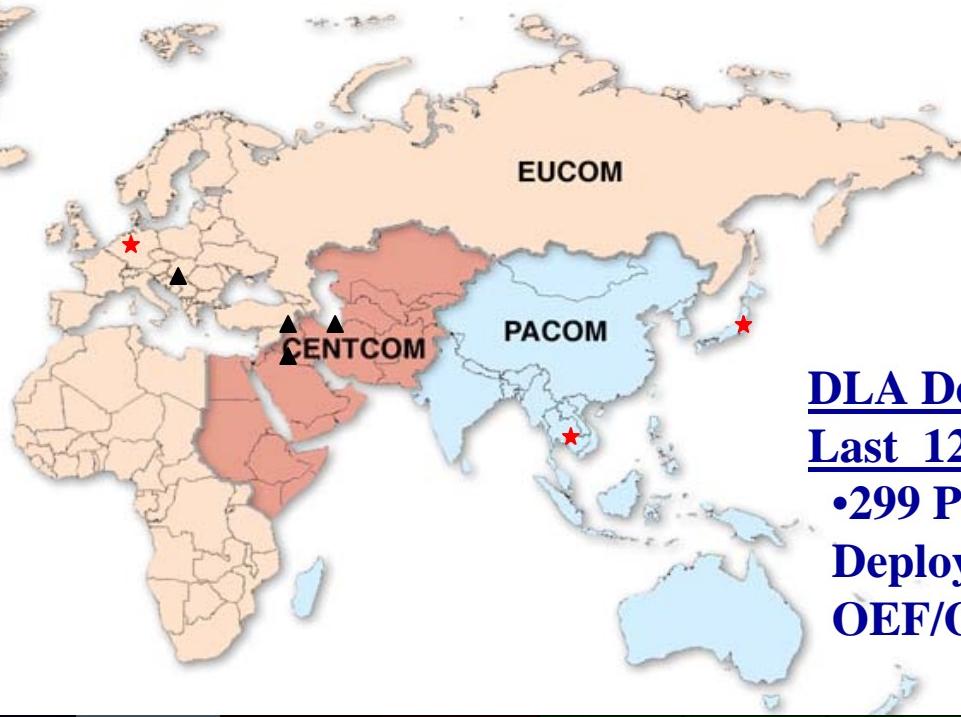


# Our People... Diversity





# Our People... Worldwide Support



DLA	CJCS	NORTHCOM AOR	SOUTHCOM AOR	PACIFIC AOR	EUROPE AOR	CENTCOM AOR	STRATCOM	TRANSCOM	JFCOM	SOCOM
Regional Staff		0	0	21	24	5		15 DDOC		
LNO's	★	1	1	1	3	4	5	1	1	1
Planners		1	1	1	1	1	1	1	1	1
DCST ▲		0	0	0	0	158				1
Exercises	3	4	3	26	3	5		2	1	

**Legend**

LNO - Liaison Office ★

DCST - DLA Contingency Support Teams ▲

DDOC - Deployment and Distribution Operations Center



# Our People... Community Support



- FEMA support
- Combined Federal Campaign...\$315,000 ('05)
- Blood drives...1,000 units annually
- Operation Feed...66,000 meals
- 8,000+ computer components to 50+ schools
- Partners-In-Education...50 tutors
- Village-to-Child mentoring...14 mentors



2500+ Doing The Right Thing!



# The Mission... Demand/Supply Chains



## Land

- 360K NSNs, 3 sites, \$1.4B in sales
- Army/Marines...85% of demand



## Maritime

- 1.6M NSNs, 3 sites, \$1.7B in sales
- Army/Marines...51% of demand



## Aviation Detachment

- 330K NSNs, \$.6B in sales
- Army/Marines...53% of demand



# Demand/Supply Chain... Land



## ● DLA Spare Parts Support

- Procure Suspension, Air Conditioning (A/C), and Armor Piece Parts
- Stock Number creation & investment

## ● Requirements (installed to date)

- PLS 871 (713), HET 665 (68)
- FMTV 2,805 (764 AoA, 286 LSAC)
- HEMTT 1,595 (1,196)
- M915 Freightliner 1,302 (259)





# Demand/Supply Chain... Maritime



Nimitz Class CVN &  
Combat Logistics Forces

- Aircraft Launch and Recovery Equipment support
- Deployed force sustainment only possible through underway replenishment



Arleigh Burke Class  
DDG

- Provides 24X7 umbrella of radar protection
- Tomahawk missile strikes supporting OIF



# Warfighter Support... Aviation Detachment



Support to all services for fixed wing and rotary weapons systems



Support wide range of vehicles through management of power transmission components; gears, pulleys and transmission chains; fittings for ropes, cables

Support to ground troops through management of communication equipment, including night vision equipment



# The Mission... Shared Services



- Operational Support Group
  - Specification, qualification and standardization
  - Value management, tech data, and packaging
- Product Test Centers
  - Counterfeit Material/Unauthorized Product Substitution (CM/UPS)
  - Product verification/tech evaluation
- Office of Counsel
  - Procurement integrity
  - Fraud (CM/UPS), contract conflict resolution





# The Mission... Process Management



- Corporate Information
  - BSM/CRM/eProcurement
  - Legacy systems support
  - Process management
  
- Procurement
  - Policy and performance
  - Advisor to supply chains
  - Industrial sourcing and surge support





# The Mission... Operationalized Functions



- DHRC-C
  - All things personnel
- DLA Enterprise Services – Columbus
  - Base contracting, installation management
  - Public safety, MWR, environmental/occupational health
- J6-C
  - Full spectrum of IT support
- J8-C
  - Budgets, POM, execution
  - Supply chain financial management



Outstanding Support...All Areas!



# Agenda



- The Installation
- The ICP
  - Organization
  - Our People
  - Mission
- BSM Transformation
- BRAC





# What is BSM?



*Business Systems Modernization is:*

- Major transformation effort--massive change for our workforce, creation of an enterprise
- Incorporating best practices via commercial-off-the-shelf (COTS) based tools
- Replacement of our 30 year old materiel management systems ... and our processes embedded in those systems
- The core of DLA's enterprise architecture



# Organizational Impact... Demand/Supply Chain Theory



**Demand Chains** - grouping of customers that are managed by Customer Operations

"Each customer is aligned to one and only one demand chain"

Aviation  
Land  
Maritime  
Construction and Equipment (C&E)  
Clothing and Textiles (C&T)  
Medical  
Subsistence

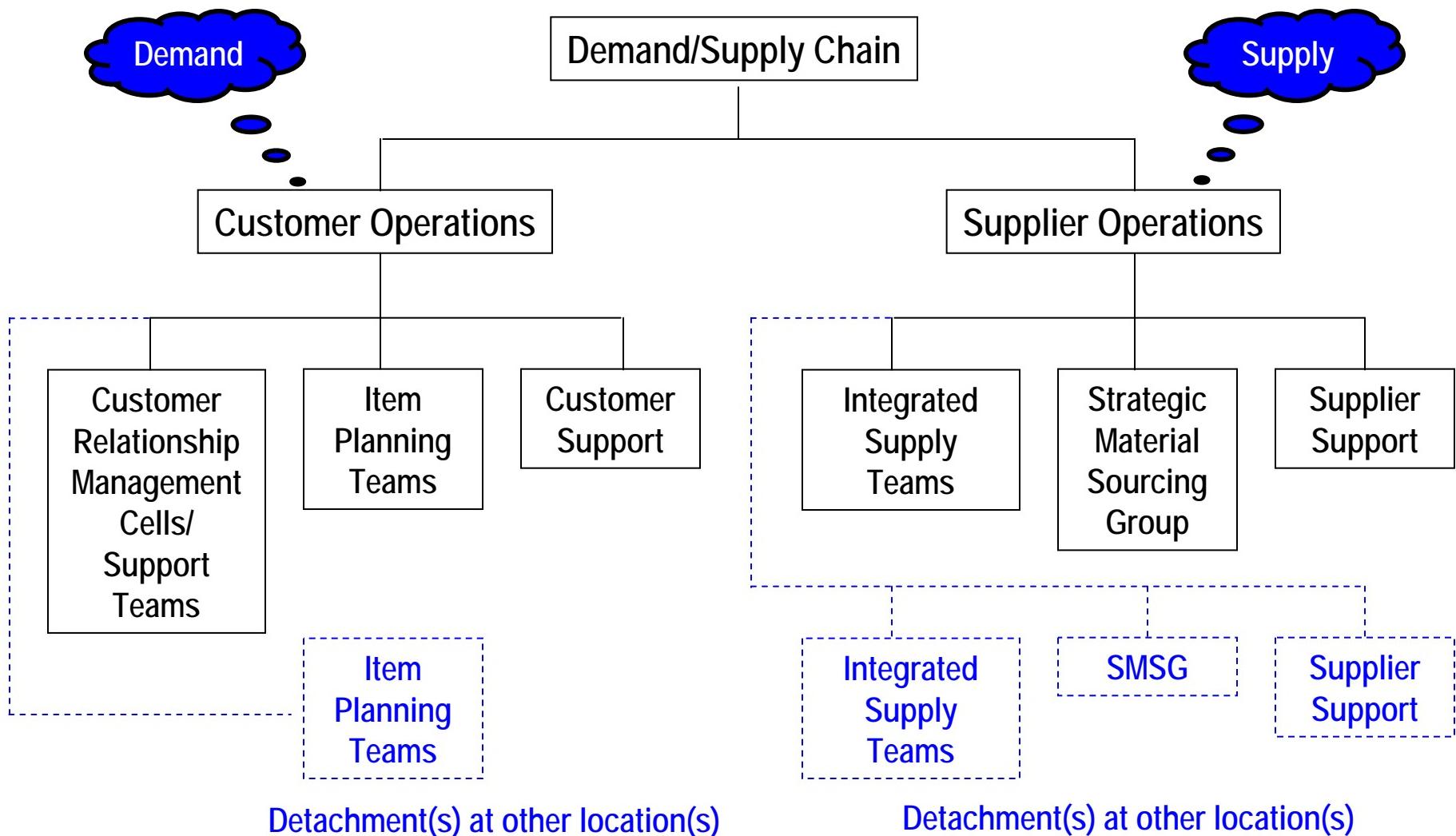
**Supply Chains** - grouping of items/suppliers that are managed by Supplier Operations

"Each item is aligned with one and only one supply chain"



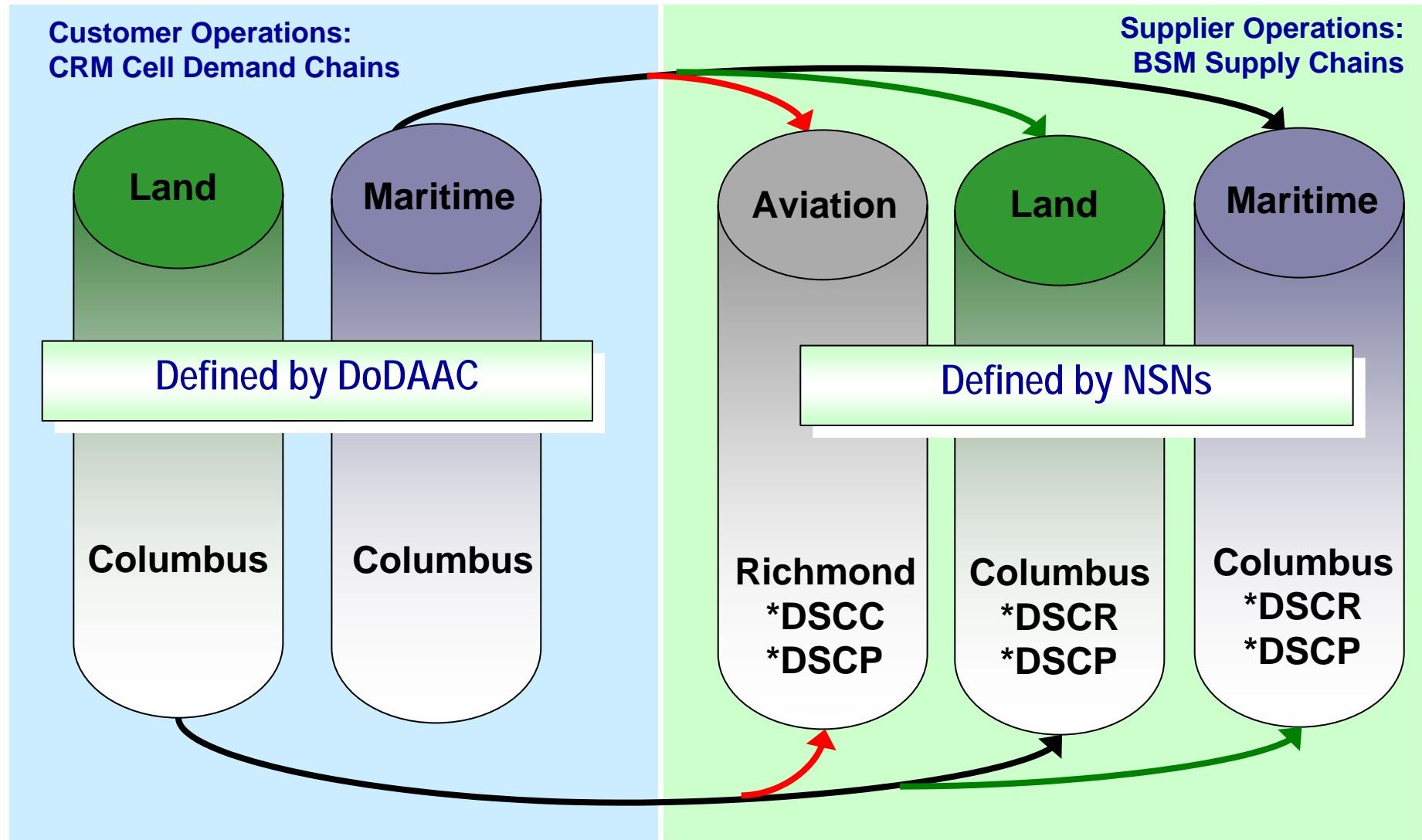
# Organizational Impact...

## The Detail



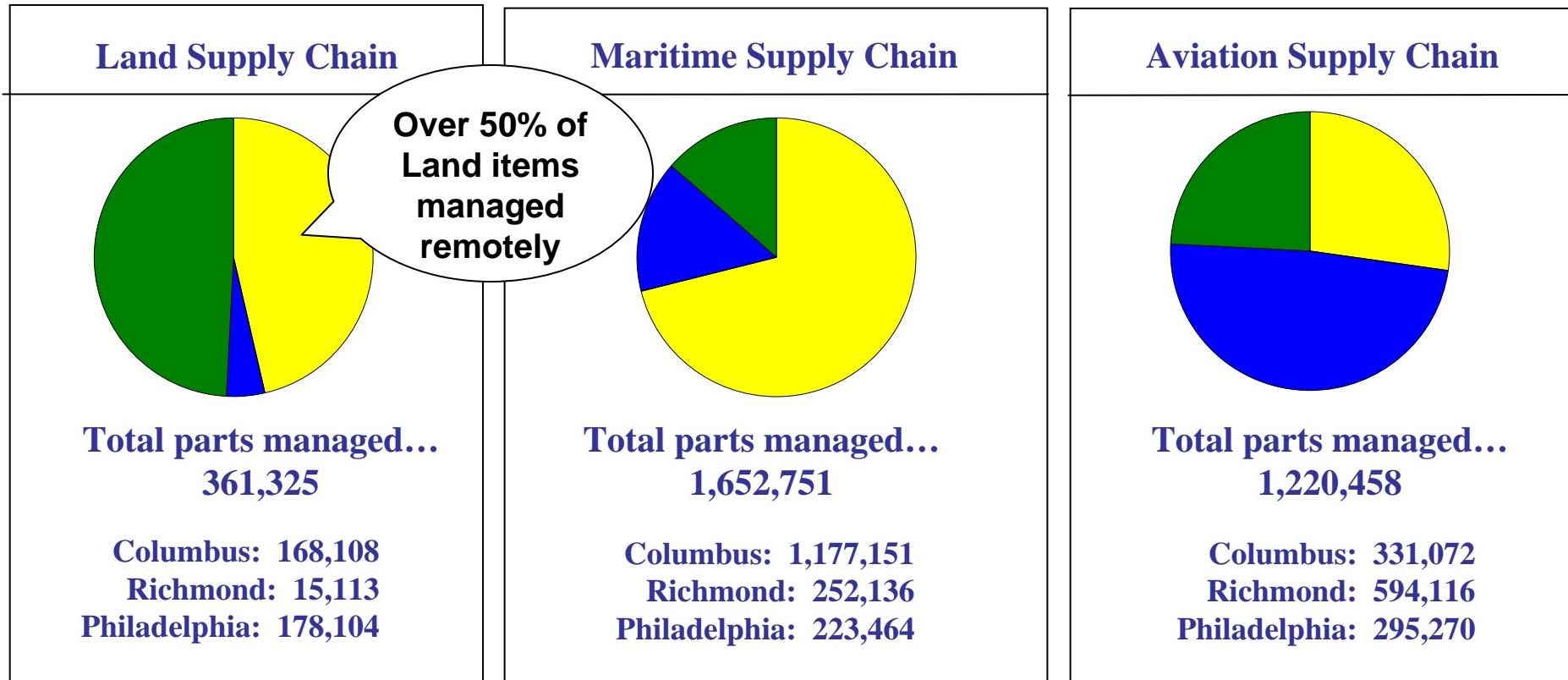


# Organizational Impact... Demand/Supply Chain Interface





# Organizational Impact... What It Means In Execution

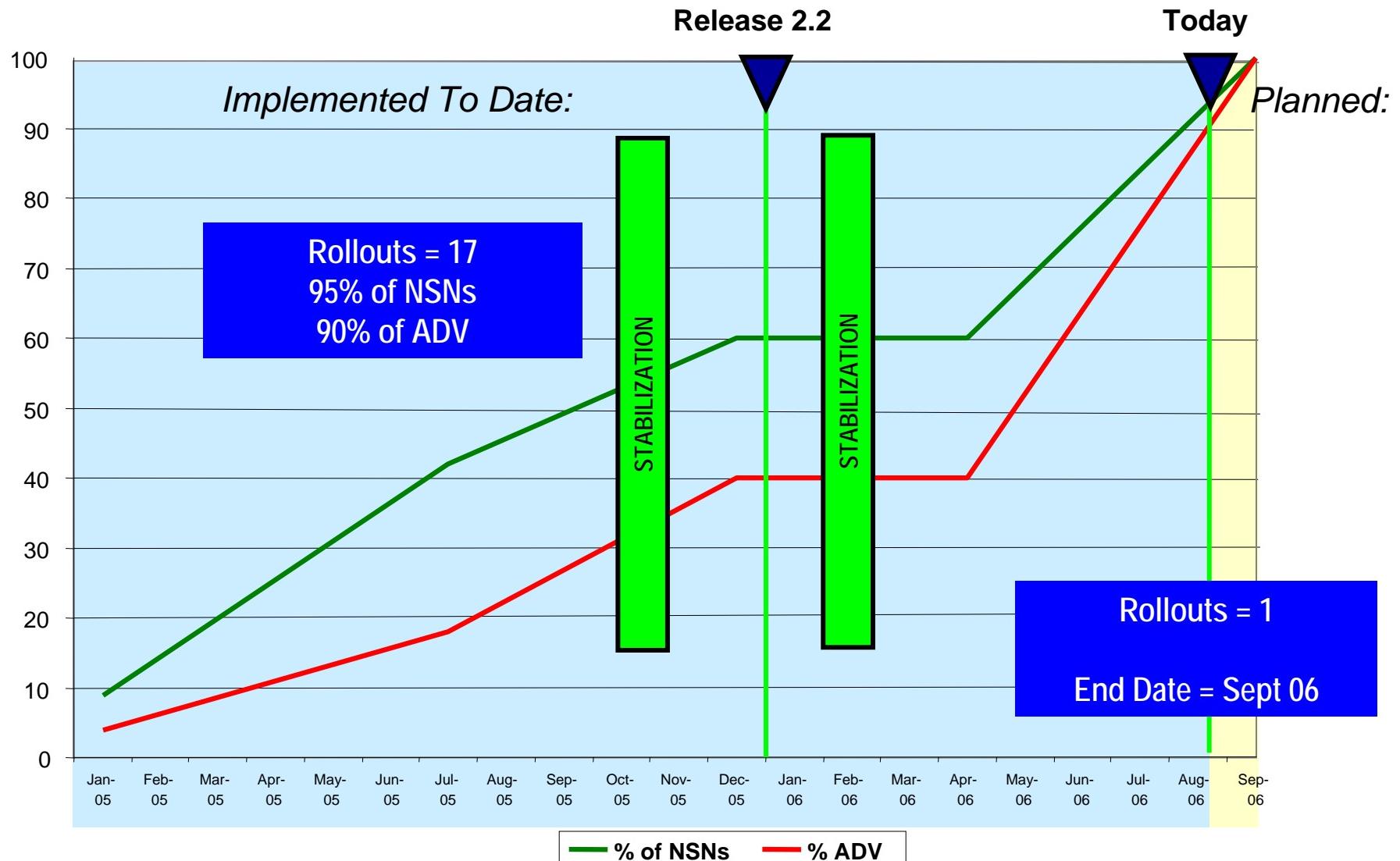


Remote Site Management And Execution Critical To Success



# BSM Rollouts

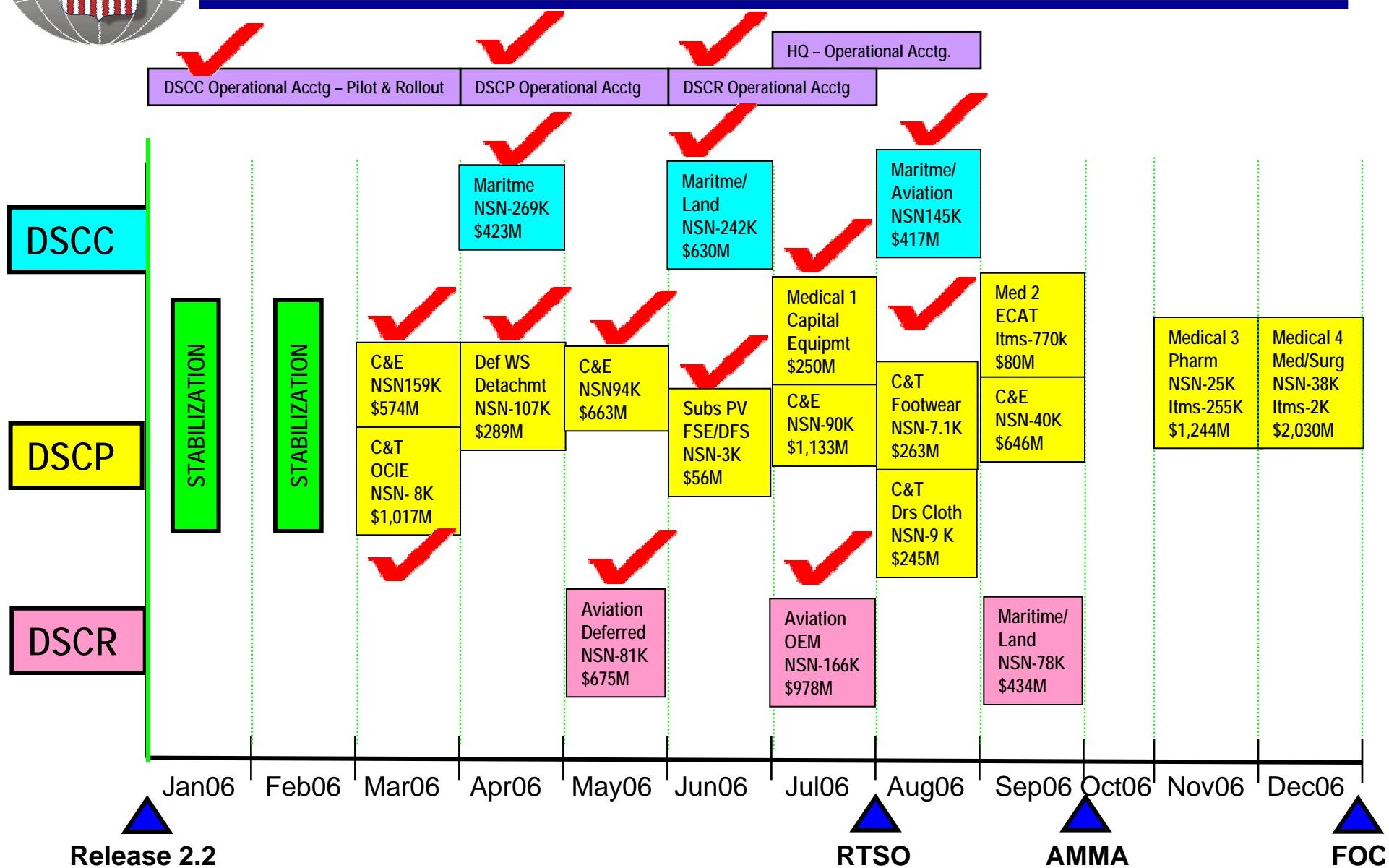
## Hardware Supply Chains





# Rollout Schedule

## From Jan 06 – Dec 06





# Agenda



- DLA Overview
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# DSCC BRAC Related Efforts



## Privatization - Tires

- Visited AF, Army and Navy Sites
- Industry Day – 9 Mar ...\$233M contract

## DLR Procurement Management

- Cross Service Group – Steve Rodocker
- Developing CONOPS ...DSCC leading DLA effort

## Supply & Storage

- 50% reduction in capacity
- Our bogey...3.8 million cu. ft. ...8K, \$40M, 132K cu ft, so far

## Consumable Item Transfer

- Cross Service Group identifying items
- Much smaller than expected ...from 350K to < 5K



# Agenda



- DLA Overview
- DSCC Installation
- DSCC ICP
  - Organization
  - Our People
  - Mission
- BSM Transformation
- BRAC





# Summary



- Performance
  - Installation...meeting DoD needs and growing to meet the future
  - Demand/Supply Chains...delivering on mission...organized for success
- Customer Engagement
  - Connected to warfighters; engaged at weapon systems and DODAAC levels



# **Deputy Commandant for Installations & Logistics**

## **brief to**

# **Maritime & Land Supply Chain Conference**

**LtGen R. S. Kramlich**  
Deputy Commandant, Installations and  
Logistics

**30 Aug 2006**



*"If you don't like change,  
you're going to like  
irrelevance even less..."*

**GEN Eric Shinseki (USA),  
Army Chief of Staff**

## The Environment – Our Mandate

“Just as U.S. forces are becoming more agile and capable of rapid action and are exploiting information advantages to increase operational effectiveness, . . . processes that support them need to develop similar attributes.”

-Quadrennial Defense Review, 2006

### Quadrennial Defense Review Report

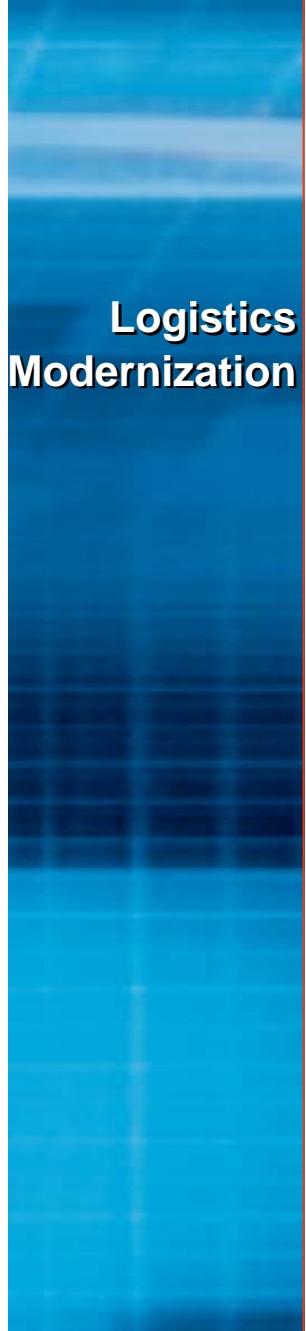


February 6, 2006

# *Agenda*

Logistics  
Modernization

- USMC Logistics Modernization
- Logistics Chain in Theater
- Emerging Capabilities



# ***USMC Logistics Modernization Focus on the Deployed MAGTF***

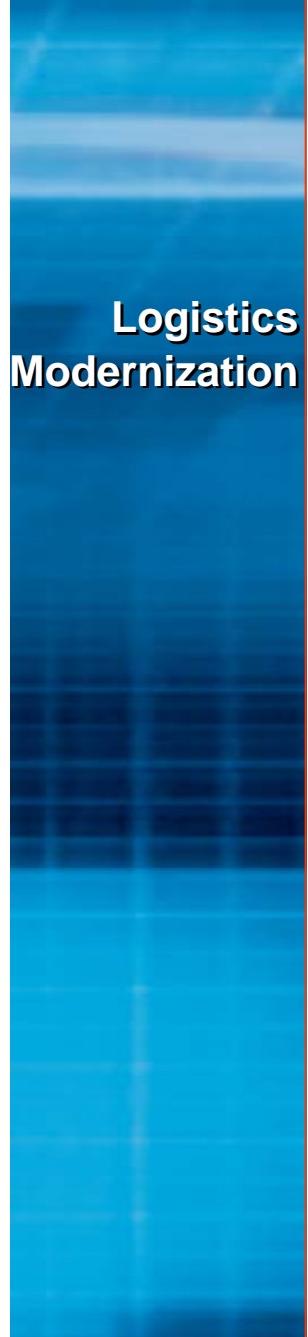
- Enhanced Battlefield Capabilities
  - Tactical Focus; Deployment and Employment
  - Deployed vs Garrison-focused Organization
  - Comprehensive Doctrine/Policy Review and Rework
- Future Warfighting Capabilities (EMW/STOM/Seabasing/DO)
- Naval/Marine Air-Ground Task Force (MAGTF)/Joint Logistics Integration



In order to...

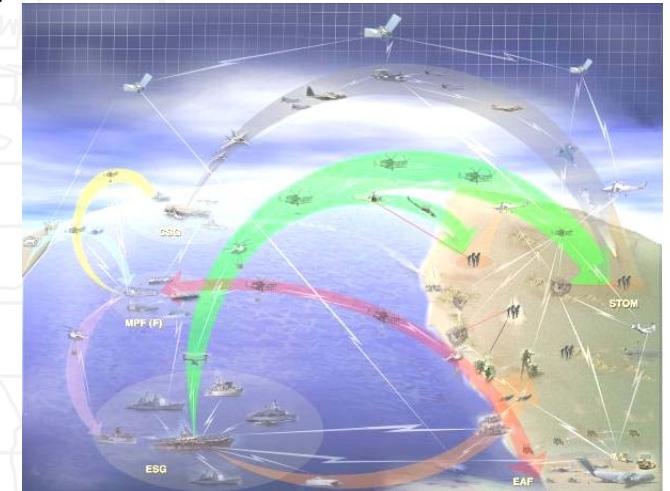
- Improve support to the MAGTF in the maneuver
- Garrison configuration the same as deployed and...

**IN THE FIGHT!**



# ***USMC Logistics Modernization Initiatives***

- **People/Organization**
  - Marine Logistics Group
  - Training and Education
- **Process Realignment**
  - Maintenance
  - Supply
  - Distribution
- **Technology**
  - Bridge Systems
  - GCSS-MC
  - Autonomic Logistics
- **MAGTF/Naval/Joint Log Integration**
- **Army Partnership**



# The Operational Environment

- Widely dispersed operations – Demands a globally-distributed concept of support
- Increased contractor support – >180 contractors with an Marine Logistics Group; multiple supply chains; complicated tactically
- A new enemy – Knows that our logistics capability gives us staying power
- Joint, inter/intra-agency & multinational – Scope & complexity has expanded dramatically
- Unsecured LOCs – Entire logistics pipeline is a target
- Resource Pressure – We must become more efficient

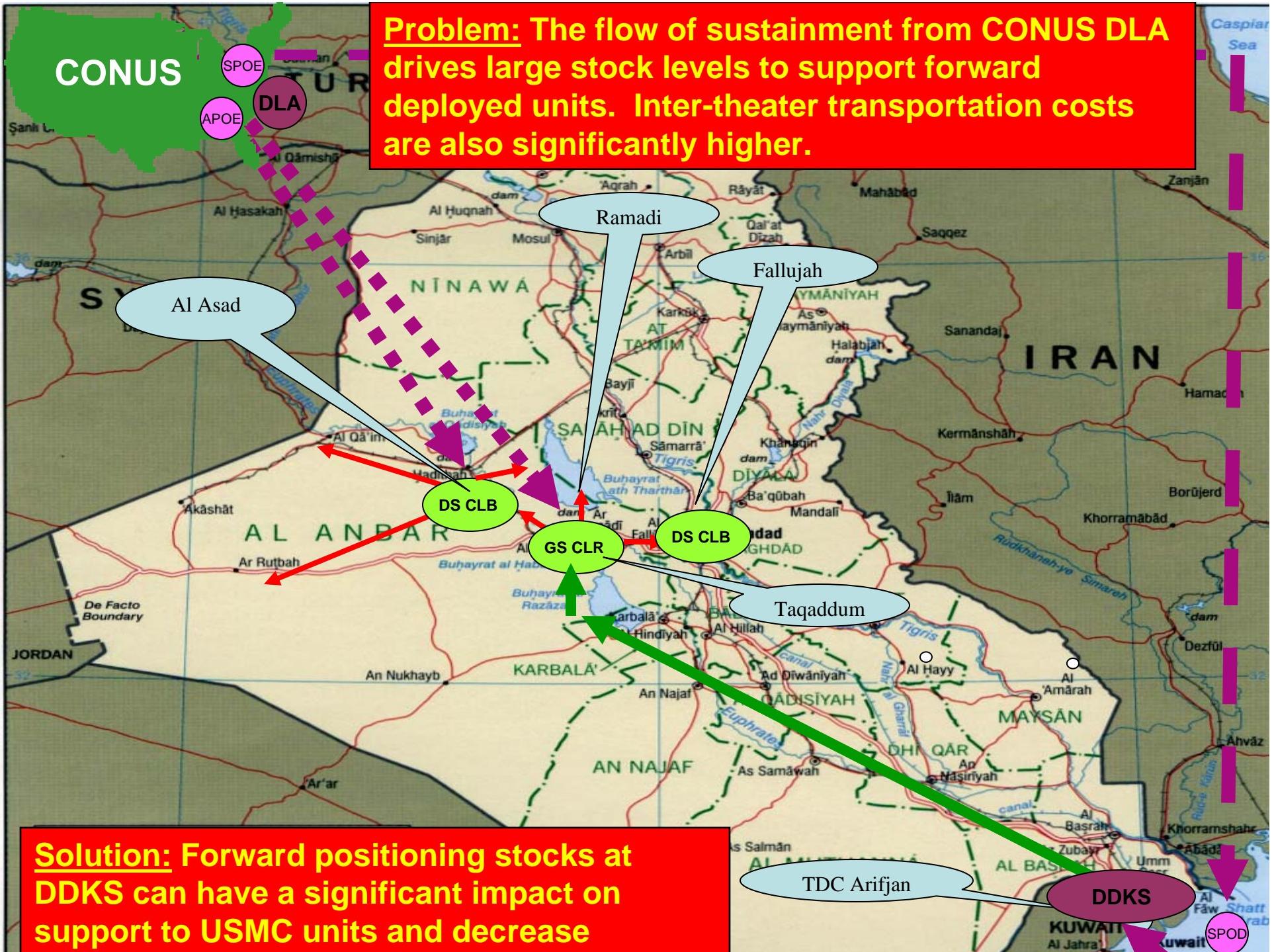
# *Logistics Chain in Theater*

## Logistics Modernization

Robust SMU/Intermediate Supply Point rqmt in Theater

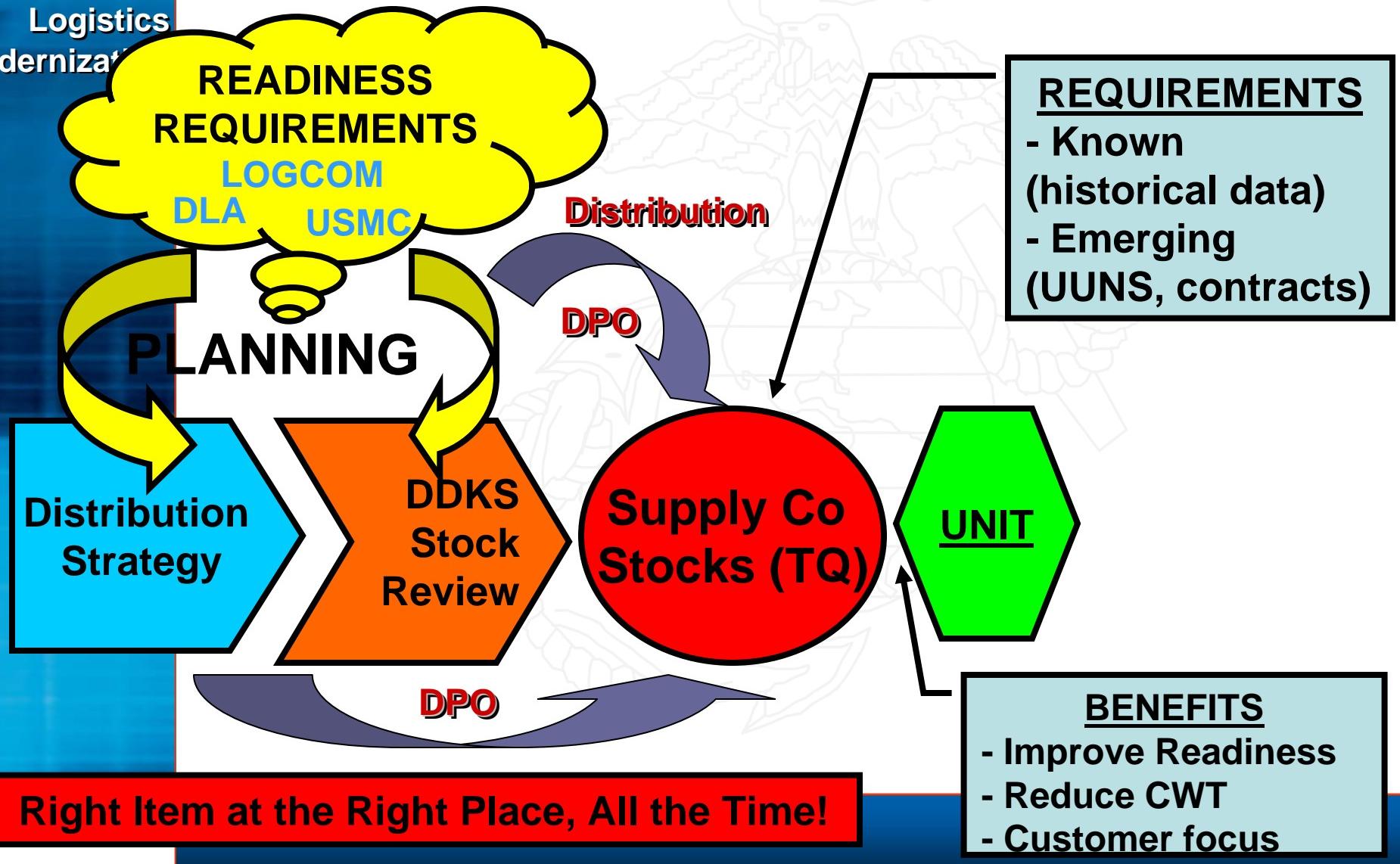
- Establishment of CDDOC at the Operational Level
  - Similar construct as DDOC at Strategic Level
- DPO, DLA, CENTCOM and the Warfighter
  - Capacity Management/ITV tools used to improve distribution pipeline
  - Management of Channel Flights = responsive sustainment support
  - Goal: Reduce USMC inventory by 50%
    - USMC Intermediate Supply Point in Iraq = 6th largest DLA customer
  - Open distribution pipeline from Jordan for
    - Perishable Food, Water, Fuel, Commercially Procured Items

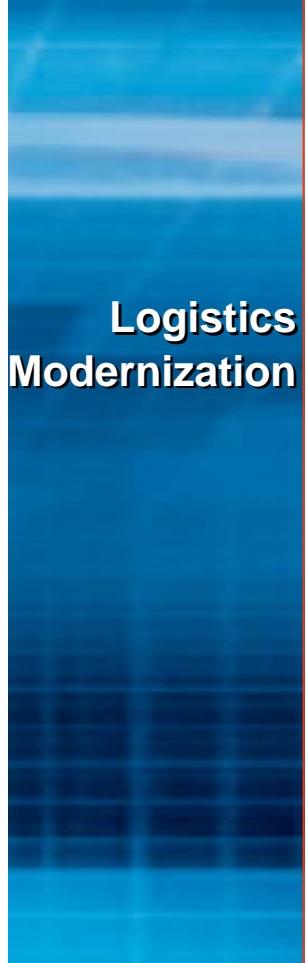
***DPO Concept/CDDOC = force multiplier***



# *Stocking Methodology*

Logistics  
Modernization

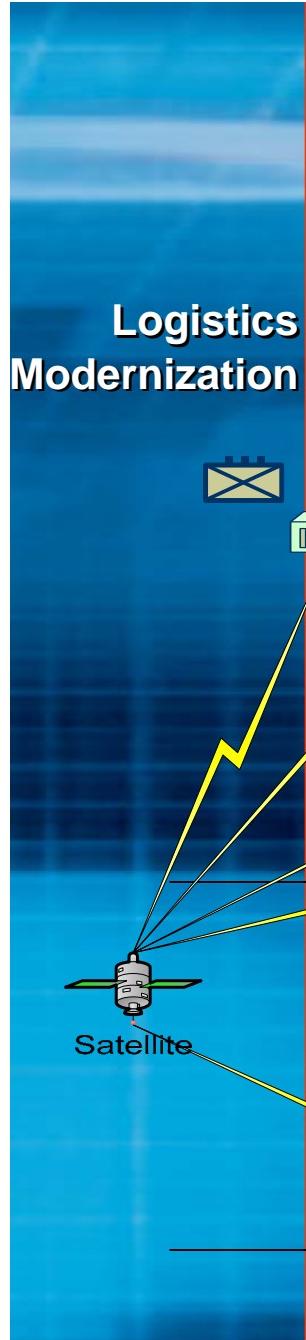




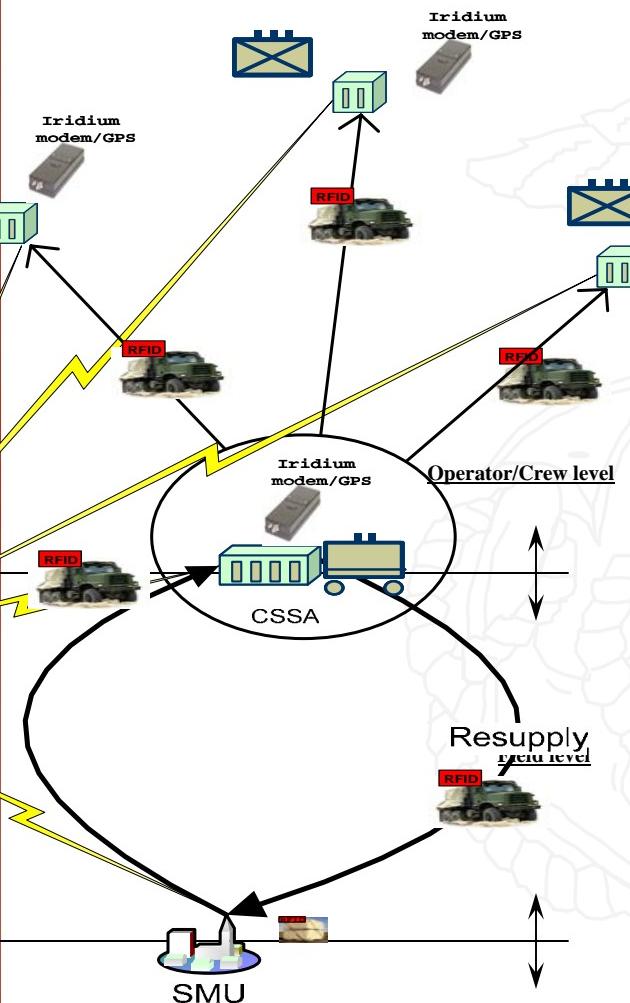
# ***Emerging Capabilities: RFID***

- Active RFID tags used on all overseas shipments
  - Read/write capability augmented by Portable Kits (PDKs/EEDSKs) ... and Army interrogators
  - Unprecedented intransit visibility
- W2W - RFID tag associated with tracking terminal – provides last tactical mile asset visibility/accountability
- Passive RFID pilot underway
- Active and Passive RFID integration next step



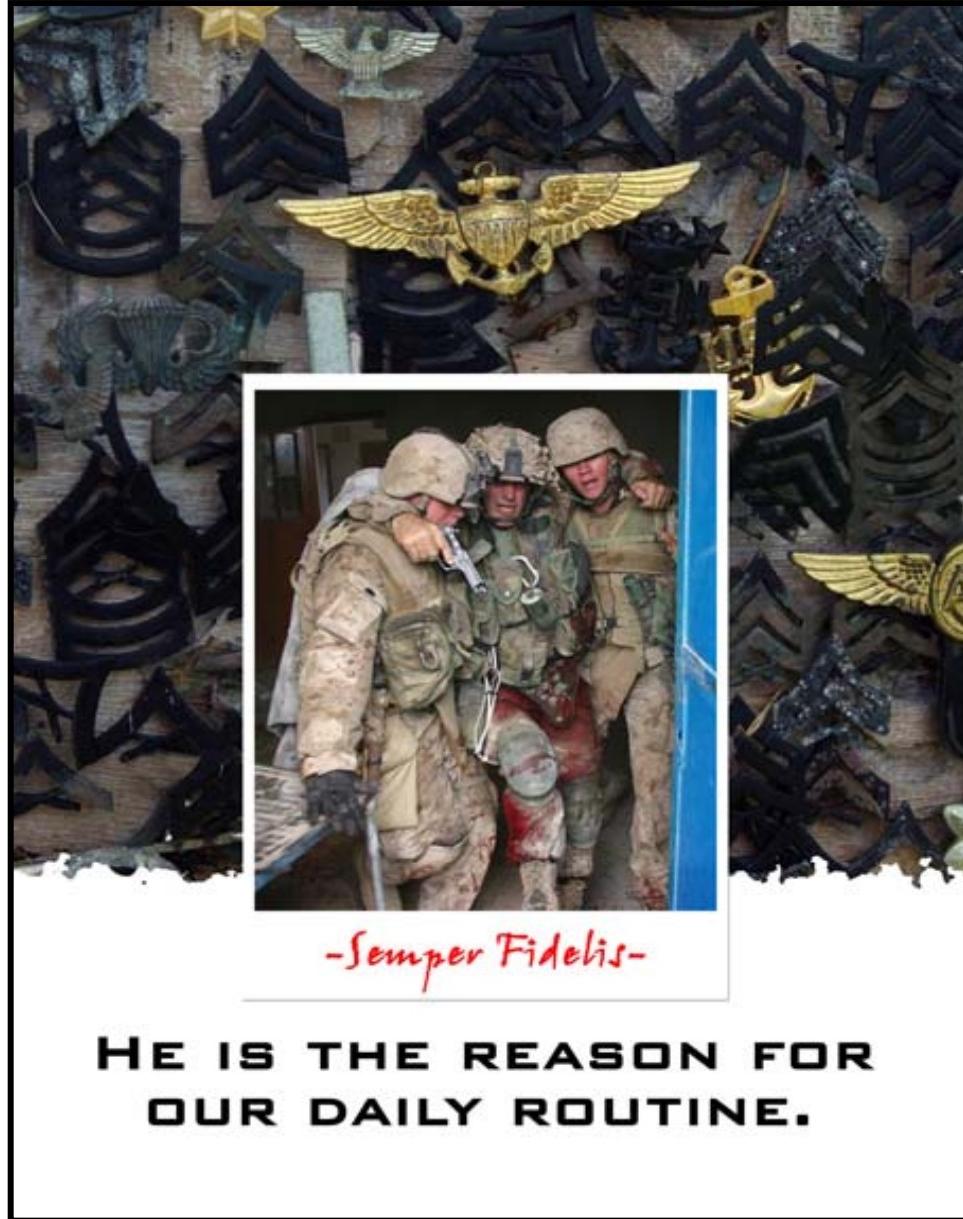


# Emerging Capabilities: Virtual Kitting



- **Providing Capabilities vs. Parts**
- **Every “Virtual Kit” is a maintenance capability**
  - Utilizing existing RFID technology to track and push capabilities
  - Capabilities pushed to Expeditionary Capability Sets based on automated resupply transactions
- **Capabilities positioned based on ROM**
  - Increases operational availability through distribution while improving ground maintenance support capabilities.
  - Contact teams deploy with capabilities tailored to meet expected maintenance problems
- **Responsive and visible**
  - Commander's requirement filled forward
  - Maintenance capability visible within and across Expeditionary Capability Sets.
- **Focuses supply in support of the warfighter's maintenance effort**

Logistics  
Modernization



*-Semper Fidelis-*

**HE IS THE REASON FOR  
OUR DAILY ROUTINE.**

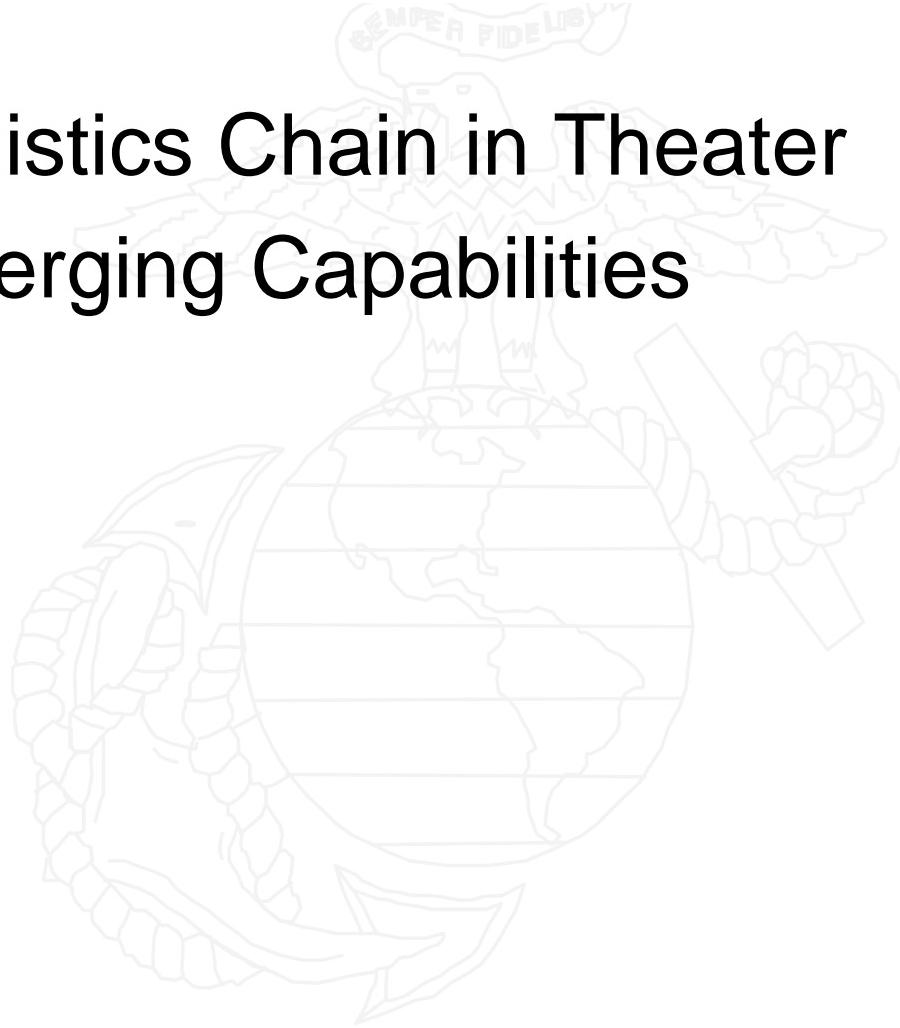
excellence in logistics...supporting excellence in warfighting



Logistics  
Modernization

# *Backup Slides*

- Logistics Chain in Theater
- Emerging Capabilities





# ***Today's Distribution Process***

- No process owner: multiple “belly-buttons” within the MEF
- Cumbersome/outdated/functional and process stove pipes, policies and enablers
  - **JOPES/MILSTRIP/MILSTAMP /Commercial**
- Different processes, people and systems for garrison and theater distribution (SE and CSSE)
- Focus on garrison processes and efficiencies
- Associated functions (PE&B, DSU, PP&P, S&R, TMO) are currently vested in different command structures
- Gaps in IT and processes
- No consistency in processes between the MEFs
- Numerous Supply Chains depending on how the requestor orders the product
- Distribution Planning Deficiencies



Logistics  
Modernization

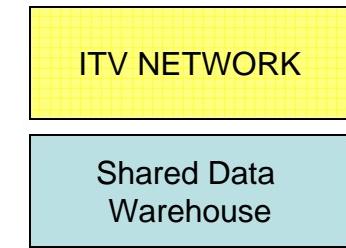
# RFID – Pilots/Implementation

## Passive RFID Pilot Program at Camp Lejeune

- Utilize Passive RFID tagged shipments from DLA
- Focus on distribution point for inbound shipments (TMO)
  - Middleware will feed Passive RFID data to existing system
  - Feed to supply/warehousing system planned
- Active/Passive RFID Integration at I MEF
  - Integrated Supply Inventory System (ISIS) will scan Passive RFID tag data to an Active RFID tag
  - Establishes parent/child relationship
  - As case/pallets are pulled from container, Passive RFID tags are read and the active tag inventory is updated
  - Satellite link provides global data communication
  - Provides accurate, near real-time tracking of assets



# Expeditionary Warehouse Management System



Ethernet Connectivity  
USB Flash File Transfers  
SALTS  
EMAIL



Read Passive / Active RFID Tags and Barcodes.  
Inventory Management of Receipts, Issues, Inventory Level & Transaction History  
Import and Search

## Virtual Kit Management

Provide Data Transmission  
Provide Global Position Data



Iridium & Cellular, Communications

Current Inventory Levels  
LUBF DATASETS

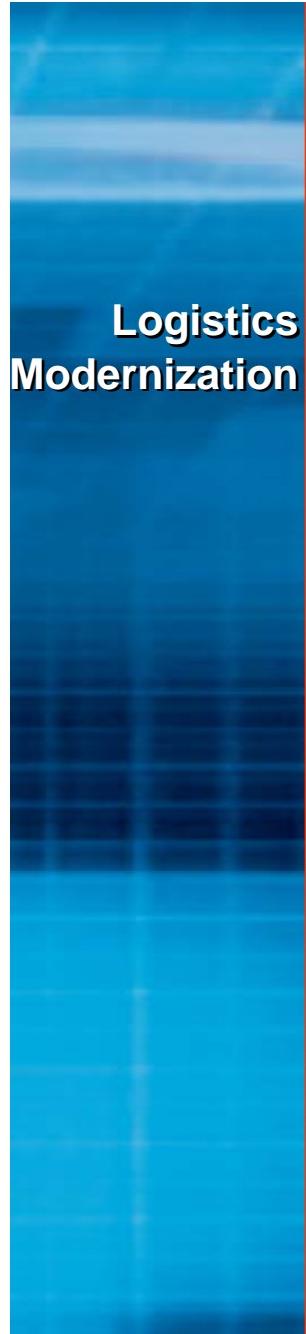


Read / Write Active Tags , provides in transit inventory visibility  
300 ft read / write range , identify container contents, search by NSN



Powered via HUMVEE, Solar, Direct Power or Batteries





# **USMC Logistics Challenges**

## **Operational...**

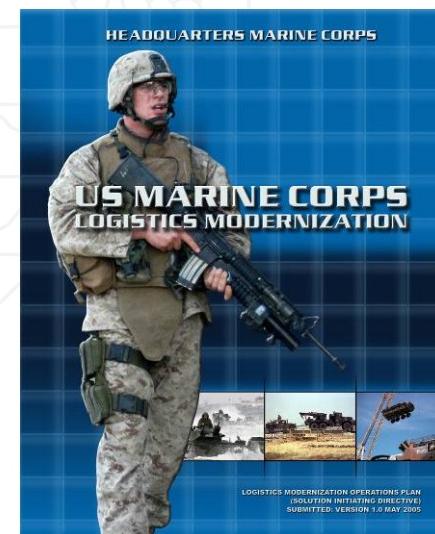
- **Readiness: Equipment, Personnel, Supply, Training**
- **Battlefield Stress on Equipment**

- Repair
- Replace
- Remain Behind

- **Resetting the Force**
- **Equipment Cross-leveling for training and contingencies**

## **Transformation...**

- **Battlefield requirements**
- **Change Management**
- **Communications**



**excellence in logistics...supporting excellence in warfighting**



# Land Supply Chain Breakout Session

August 28-30, 2006



# Agenda



- Welcome
- Organizational Alignment
- One DLA/BSM
- Business Profiles
- SMSG
- Contract Administration
- Summary
- Open Dialogue

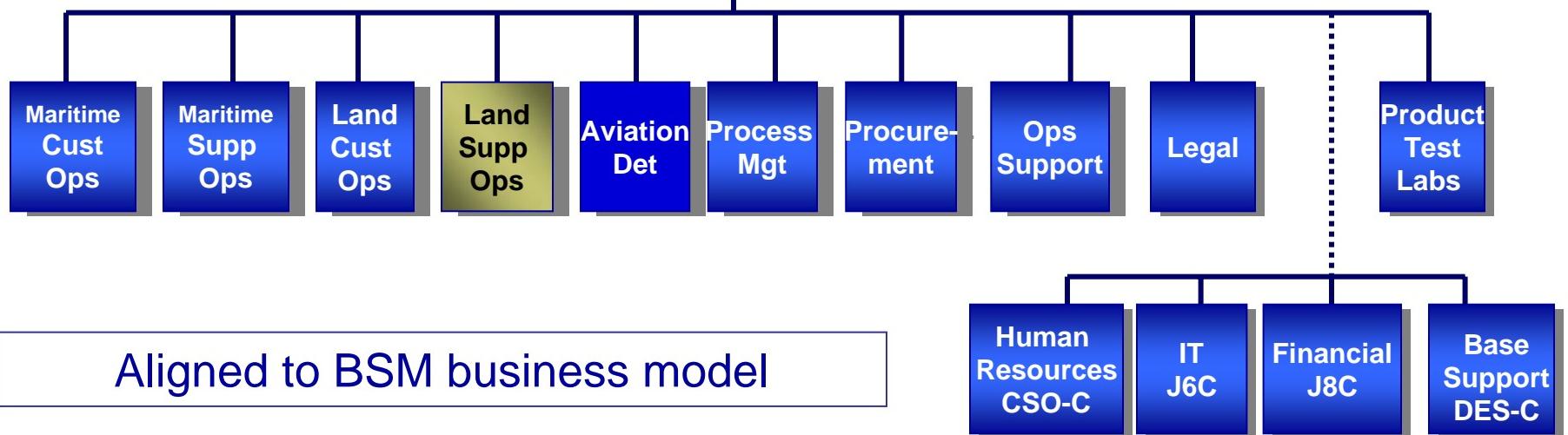


A soldier in camouflage gear is positioned on top of a military vehicle, operating a mounted machine gun. The vehicle is tan-colored and appears to be a Humvee or similar armored personnel carrier. In the background, other soldiers are visible, some standing near the vehicle and others further back. The scene is set outdoors in a dry, possibly desert-like environment.

# Focus On the Warfighter Organizational Alignment

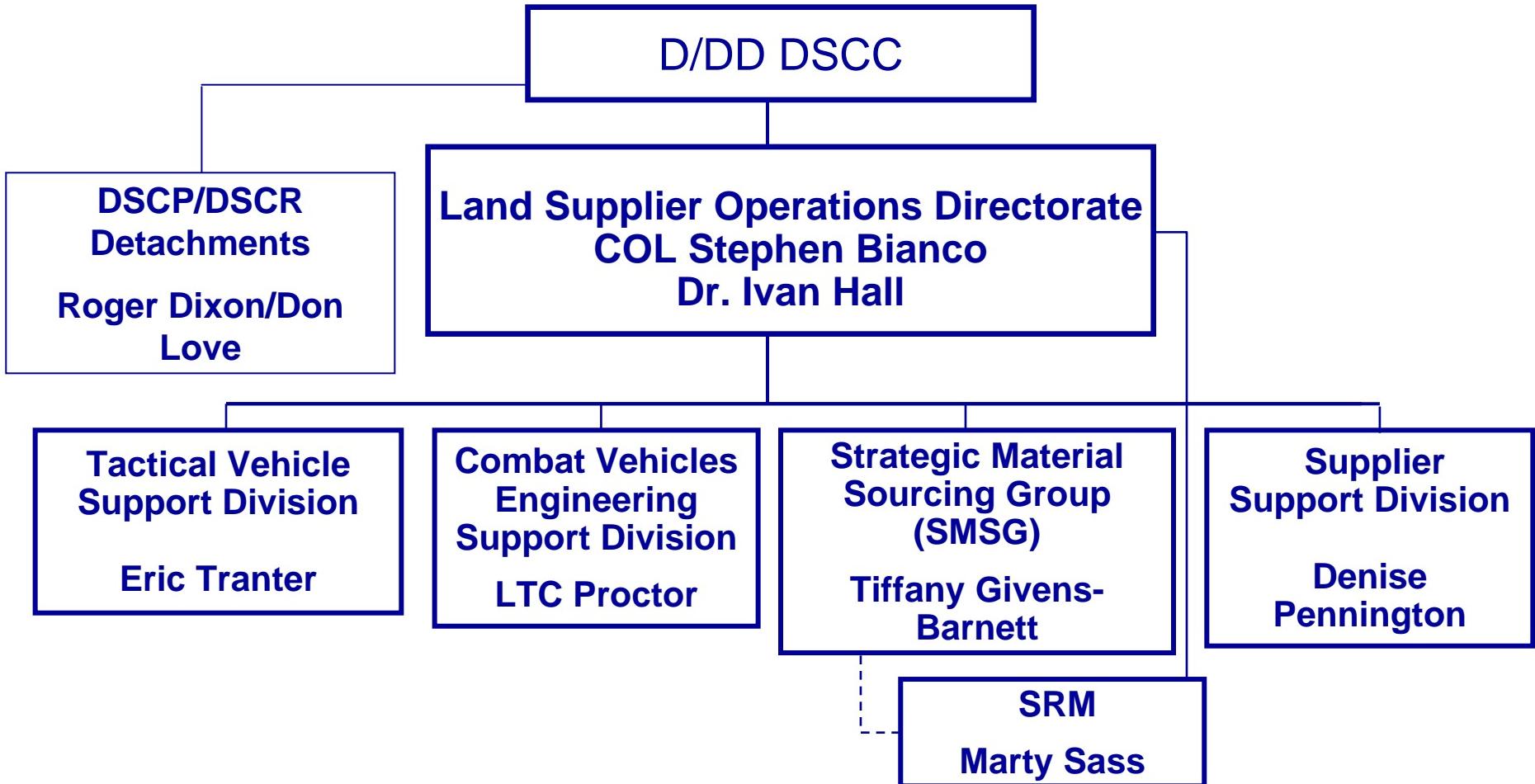


# The ICP... Organization





# Organizational Alignment





**Focus On the Warfighter  
One DLA/BSM**



# Transformation & Expansion Business Systems Modernization



## The Vision

Enhance DLA and supplier interaction based on the specific needs of a relationship in order to allocate time and resource more efficiently to best support the warfighter.

A photograph of a military convoy in a desert environment. In the foreground, a large military vehicle, possibly an MRAP or armored personnel carrier, is partially buried in sand. Several soldiers in camouflage uniforms and helmets are visible around the vehicle; some are standing, while others are seated or lying down. Two tall poles with flags are positioned behind the vehicle. The background shows a vast, sandy landscape under a clear sky.

# Focus On the Warfighter Business Profiles



# The Nine Indicators Impacting Your Business



## Order Fulfillment (Delivery)

- Stock availability
- Order quantity fill rate
- Logistic response time
- Time definite delivery

## Planning

- Attainment to plan

## Financial

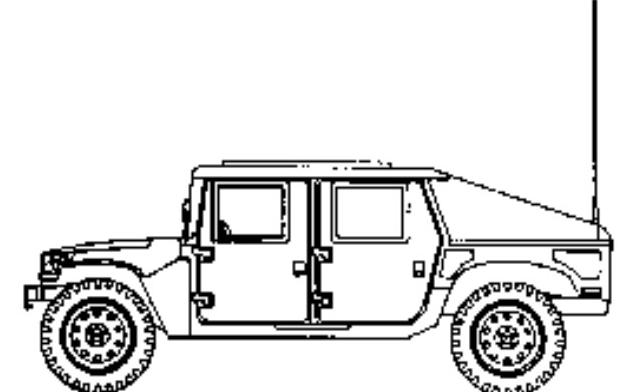
- Aged accounts payable

## Tech Quality (PQDRs)

- Order quality

## Procurement

- Administrative lead time
- Production lead time



These KPIs measure how we do business with you



# Land Supply Chain



- 360K NSNs, 3 sites, \$1.4B in sales
- Army/Marines ... 85% of demand
- 3,200 + suppliers
- 400K contract actions
- 450 employees
- 21 integrated supplier teams



# Land Supply Chain FSCs

(Preponderance of FSCs assigned to Land SC)



COLS FSCs	
1005	2520
1010	2530
1015	2540
1020	2541
1025	2590
1030	2805
1035	2815
1040	2825
1045	2910
1055	2920
1075	2930
1080	2940
1090	2990
1095	4910
2510	*2530
*2610	*2630
*2640	

PHIL FSCs
5340
5341
5360
RICH FSCs
5110
5120
5180
6117
6135
6140

\*Tires and tire-related support

A soldier in camouflage gear is shown from the side and back, operating heavy machinery or equipment in a dusty, outdoor environment. The background is a hazy, light-colored landscape.

# Focus On the Warfighter Sourcing Challenges



# Small Arms Challenges



- Diminishing manufacturing base
  - Develop priority list for sourcing efforts
  - Value Engineering to dedicate individual to assist in developing sources
- First article and production lot failures
  - Increased use of pre-award surveys
  - Qualified source list
  - Increased surveillance visits by DCMA



# Additional Sourcing Challenges



1005-00-625-7592	Bar trigger	2920-01-048-9790	Plate assembly
2590-01-212-1057	Parts kit door	2540-01-185-4387	Top assembly, HMMWV
1095-00-407-0674	Rack small arms	1005-01-033-4538	Extractor, cartridge
2510-01-061-8923	Screen ballistic, radiator	1005-00-556-4102	Rod cleaning
2540-01-199-6761	Bow, vehicular	2590-01-265-3185	Control assembly, push/pull
2510-01-249-1586	Door, hatch	2530-01-357-9776	Cylinder assembly brake
2510-01-374-3119	Side rack	2590-01-328-2904	Brushguard
2530-01-364-9825	Carrier sprocket	1005-01-032-8143	M240 machine gun
1005-00-992-7287	Ring bolt	2590-00-752-9138	Strainer, element
1095-00-151-4385	Lanyard, firing	2530-00-753-9267	Master cylinder
2530-00-274-4511	Wheel cylinder		



# **Focus On the Warfighter Strategic Material Sourcing Group (SMSG)**



# Business Drivers on LTC



Coverage	FY04	FY05	FY06 Goal
NSNs	47%	57%	73%
ADV	67%	71%	78%
ADF	62%	69%	79%

Goal for FY06 - 2,874 NSNs

Result: \$8 out of every \$10 awarded in Land supply chain against long-term contracts.



# FY07 SMSG Strategy



## Objective:

- Key business drivers on long-term contract
- Prioritized approach to project selection

## Target population:

- FSC 5340 – hardware
- FSC 1005 – small arms
- Weapon systems
- Generator kits
- Tires (ancillary support)



# **Focus On the Warfighter Supplier Relationship Management (SRM)**



# Strategic Supplier Alliances & Supply Chain Alliances



## Objectives –

Identify and leverage opportunities for DLA and Services to implement and execute SSAs with key industry partners

## Goals –

PLT reduction

ALT reduction

Demand planning

Technical support

Pricing and materiel price reduction

Future contract Incentives



# Strategic Supplier Alliances & Supply Chain Alliances



## Strategic Supplier Alliances

Buyer/seller agreements for sharing information and working together to leverage customer buying power and enhance the supplier's ability to deliver value. (Applies to sole-source OEMs.)

## Supply Chain Alliances

Less formal relationships, with competitive suppliers, offering DLA the ability to collaborate (after contract award) and develop opportunities to improve business processes for both DLA and the suppliers.



# Strategic Supplier Alliances & Supply Chain Alliances



## Successes

- Tremendous surges in demand and support
- Continued dialogue to facilitate customer support
- Significant improvement of on-time delivery
- Significant support of key NSNs

### SRM Vendors

- |  |  |
|--|--|
| AM General, LLC <ul style="list-style-type: none"><li>•Amtech Corporation</li><li>•BTMC Corp.</li><li>•Badger Truck Center</li><li>•Caterpillar, Inc.</li><li>•Cummins Engine Company Aftermarket</li><li>•General Dynamics Land Systems (GDLS)</li><li>•General Dynamics Land Systems-Canada</li><li>•Canadian Commercial Corp.</li><li>•Grove U.S., LLC</li><li>•Kalmar RT Center, LLC</li></ul> | <ul style="list-style-type: none"><li>•Komatsu America International</li><li>•Armor Holdings/Ogara-Hess &amp; Eisenhardt</li><li>•Oshkosh Truck Corp.</li><li>•Penn Detroit Diesel Allison</li><li>•SAIC D/B/A Procurennet, Inc.</li><li>•Stewart &amp; Stevenson Tactical V</li><li>•BAE Systems Land and Armament</li><li>•Watec, Inc.</li><li>•West Side Tractor SLS Co. Del</li><li>•Wheeler Bros., Inc.</li><li>•FN Manufacturing</li></ul> |
|--|--|



# SRM Strategy



## Actions

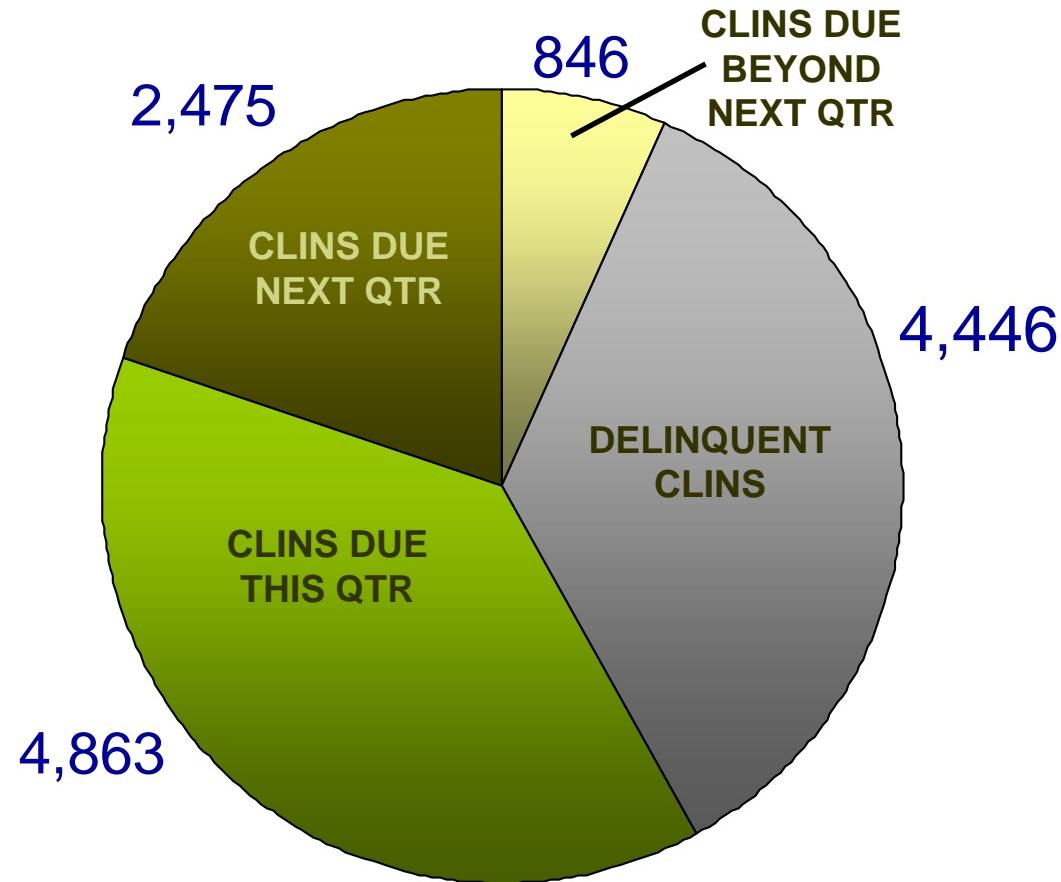
- Ongoing Line of Balance with SRM vendors via monthly open order report, regular communication with SRM personnel
- Priority identification is for high priority requirements, highest backordered items (top 200)
- Issued to vendor beginning of each month, status requested by mid-month
- Report posted for easy access to status by WSSMS, CAS, SP, buyers
- Routine sharing of 8 qtr demand history to aid in forecasting and backorder prevention

A soldier wearing a camouflage helmet and goggles is seen from the side, operating a machine gun mounted on top of a vehicle. The soldier's hands are on the controls of the weapon. In the foreground, the side of a white military vehicle is visible, featuring a camera mounted on its side. The background is a bright, overexposed sky.

# Focus On the Warfighter Contract Administration



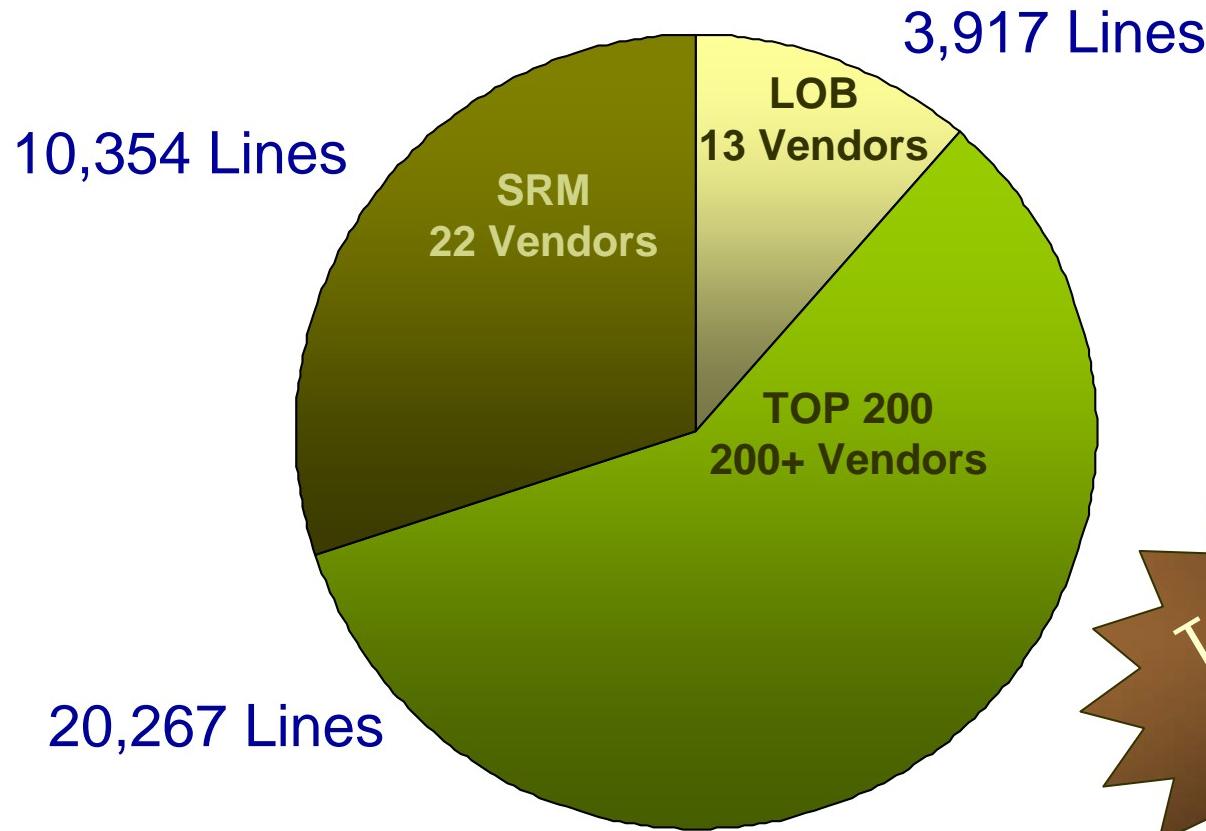
# Total Backorders July Post Award Profile



Resolve delinquencies & focus on delivery assurance



# Land Backorder Reduction Post-Award Plan



Touches  
49% of  
BO Lines

3Q baseline data as of May 2006



# Land Backorder Reduction Post Award Plan



## Objective:

- Reduce and prevent backorders
- Assure contractor focus aligned with customer needs
- Streamline contractor and government communication
- Impact as many BO items in each age category as possible with given resource constraints

## Multi-pronged approach

- Highest backorder NSN focus
- SRM backorder strategy
- Line of balance



# Land BO Post Award Reduction Plan



## Action plan:

- No cost expedites
- Premium pay as warranted
- Partial deliveries encouraged
- Expedite critical items as consideration for other extensions
- Use DCMA for monitoring/status
- Monthly status requests to vendors with Top 200 orders
- No cancellations/delivery extensions without IST concurrence
- Recommendations for LOB consideration
- Improvements to due-in posture
- Recognition to vendors & associates who achieve significant backorder reductions



A soldier in camouflage gear is walking through a desert landscape, carrying equipment on his back. The background shows a vast, arid terrain with some distant structures.

**Focus On the Warfighter**  
**FASI Global**



# FASI



- Regional contract- 1358 NSNs
- Supports land-based fleets in south, southwest and southeast (10K DoDAACs, 500+ sources)
- Supported hurricanes Katrina and Rita
- Small business...83%!
- Stats...              Sales              Orders
- FY05              \$51.7M              154.1K
- FY06              \$17.6M              52.2K (thru Apr 06)



# FASI Operational Synopsis Peacetime



- Validated seamless interface to service 10,000 DoDAACs and over 500 approved sources
- Supported U.S. Army training operations under the Spring 2001 Division Capstone Exercise (DCX) at the National Training Center (NTC)
- Sustainment support for: OEF, OIF, GWOT



# Acquisition Strategy



- Estimated contract value per year – \$354M (two year base)
- Contract term – ten years (four, two-year options)
- NSN population – 1980
- Target award date – May 2007



# Maximizing SB Participation



- Industry Day/Pre-Solicitation Conference held
- Market Survey- 11 market surveys completed
- Negotiate an aggressive subcontracting plan
- Subcontracting Plan Oversight Team



# Small Business Opportunities Under FASI Global



FASI Global subcontracting plan goals will be tied to DSCC goals

<u>DSCC GOALS</u>	FY05 GOALS	FY05 ACTUALS	FY06 GOALS	Current FASI
SMALL BUSINESS	58.2%	61.4%	60.0%	68.9%
HUBZone	3.0%	3.9%	2.5%*	4.5%
SMALL DISADVANTAGED	3.7%	3.9%	4.1%	4.2%
WOMAN OWNED	5.9%	9.8%	6.9%	9.6%
SERVICE DISABLED	3.0%	.40%	.80%*	.94%
8(a) (SDB Subset)	.50%	.64%	.72%	.74%

\*Agency assigned goal



# FASI Global Website

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- Draft solicitation period
  - Sept. 5 to Sept. 19, 2006
- Award
  - May 31, 2007
- Information related to FASI Global

<http://www.dscc.dla.mil/offices/land/FASIconnect.html>



# Current/Future Initiatives



- HMMWV Recap
- Tire-related support
- Small arms support
- SMSG FY '07 focus areas
- Kitting

**Booth #707**



# Focus On The Warfighter

## SMSG FY '07 Focus Areas



BSM Execution  
HMMWV Recap  
SRM Relationships  
Tire Support  
SMS LTC Goals

SSA Action Plans  
FASI Global  
New SCAs  
Kitting



Open Dialogue



# Welcome



Defense Supply Center Columbus  
Land & Maritime Supply Chains  
Business Conference and Exhibition  
"Land & Maritime Supply Chains...Today and Tomorrow"



# Thank You



Hyatt Regency Columbus

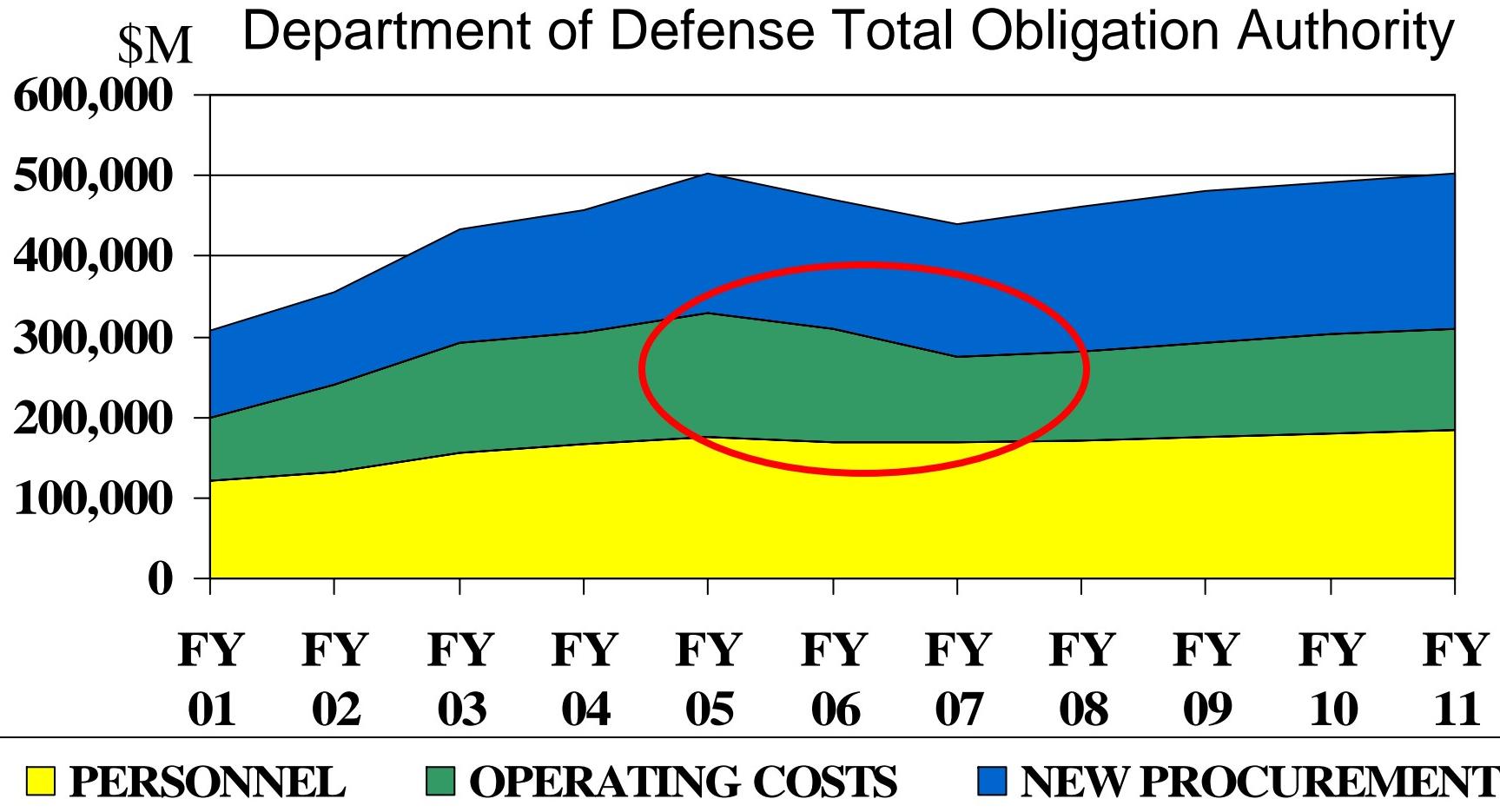


GREATER COLUMBUS  
CONVENTION CENTER





# Challenges in FY07... Financial Environment



Increased Reliance on Relationships



# Challenges in FY07... Business System Modernization



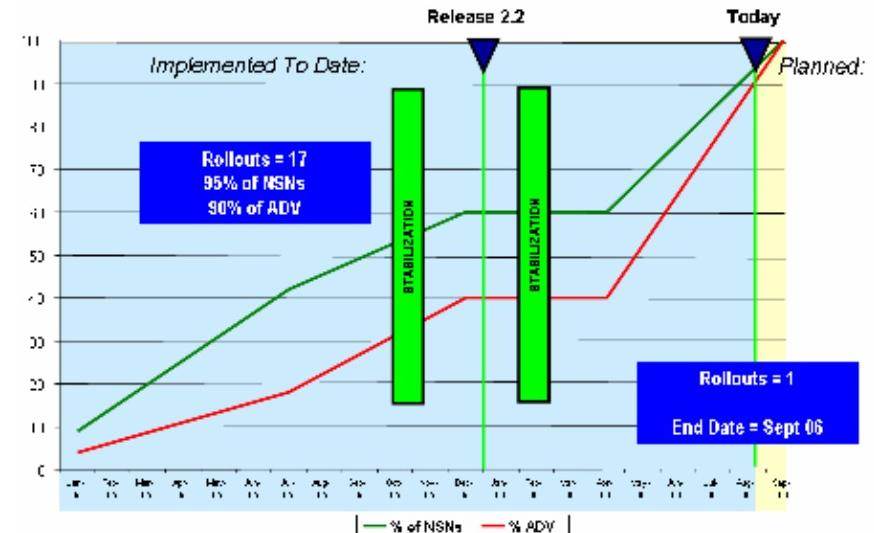
## Challenges

- Learning curve
- LTC execution
- Auto procurement tools
- Metrics

## Opportunities

- Supplier facing organization structure
- New tools for supplier collaboration
- Improvements in long term contract processes

BSM Rollouts  
Hardware Supply Chains



New Processes...Need Your Input and Help



# Challenges in FY07... BRAC Initiatives



## DLR Procurement management and related support

End state: **FY2011**

- Single face of all aftermarket DLR/consumable procurement
- Single procurement management of strategic partnership with vendors



## Privatization Management of tires

End state: **FY2007**

- Prime Vendor arrangements for supply, storage, distribution and disposal requirements.

## Execution

- Contracts by '07
- DVD from commercial sector



## Consolidate supply, storage and distribution functions and inventories

End state: **FY2009**

- Single manager of inventory and infrastructure
- Single tailored investment strategy
- Retail implications



## Consumable Item transfer

End state: **FY2011**

- Cross Service Group identifying items
- Much smaller than expected.
- DLA becomes single face to supplier





# Challenge ahead... Systems Transformation



New Systems  
for a  
New Era





# What Does It All Mean?



## We must...

- Optimize DoD investment
  - Operating forces getting less
- Facilitate BSM assimilation/leverage opportunities
  - Shorten learning curve
  - Quick ID of erroneous processes
  - Improve vendor collaboration
- Manage new mission areas...BRAC
- Provide innovative solutions to logistics challenges and transforming warrior

Government/Industry Partnership...  
The Linchpin to Success!



# Guest Speakers



- Mr. Allan A. Banghart - “*Transforming the Agency: Today’s Performance and Tomorrow’s Capabilities*”
- Mr. Edmond L. Peters - “*Customer Pay*”
- Vice Admiral Justin D. McCarthy, SC, USN – “*Strategic Partnering to Sustain Fleet Readiness*”
- Lieutenant General Richard S. Kramlich, USMC – “*Achieving Supply Responsiveness/Asset Visibility on the 21st Century Battlefield*”
- Major General William M. Lenaers, USA - “*What Your Largest Customer Thinks*”



# Breakout Sessions



1. DoD EMALL Demonstration/Overview
2. Tire Commodity Management Privatization (BRAC)
3. Business Systems Modernization/Process Automation
4. DLR - Depot Level Repairables (BRAC)
5. DFAS Your Financial Partner @ Work
6. DSCC Small Business Program/Sourcing Initiatives
7. Land Supply Chain
8. Maritime Supply Chain
9. Value Engineering Tools for Contractor Support
10. Radio Frequency Identification (RFID)/Packaging



# Thank you for attending!



# Maritime Supplier Operations Break-Out Session

August 29-30, 2006



# Agenda



- Maritime Supply Chain Overview
- Supplier Relationship Management
- Supplier Collaboration
- Open Dialogue



# Maritime Supplier Ops At a Glance



## What

**1.6M Items**

All Maritime Supply  
Chain NSNs will be in  
BSM as of 1 Sep

- Mechanical  
Pumps, Compressors  
Valves, Hose & Tube,  
Fittings, Bearings,  
Packing & Gaskets
- Electrical  
Wire & cable, switches,  
relays, transformers,  
antennas, resistors,  
microcircuits

## From

**5000 Suppliers**

- Manufacturers  
Marotta (Valves)  
York (Compressors)  
Timken (Bearings)  
Raytheon (Electronics)  
Amphenol (Connectors)
- Dealers  
Large Dealer Network

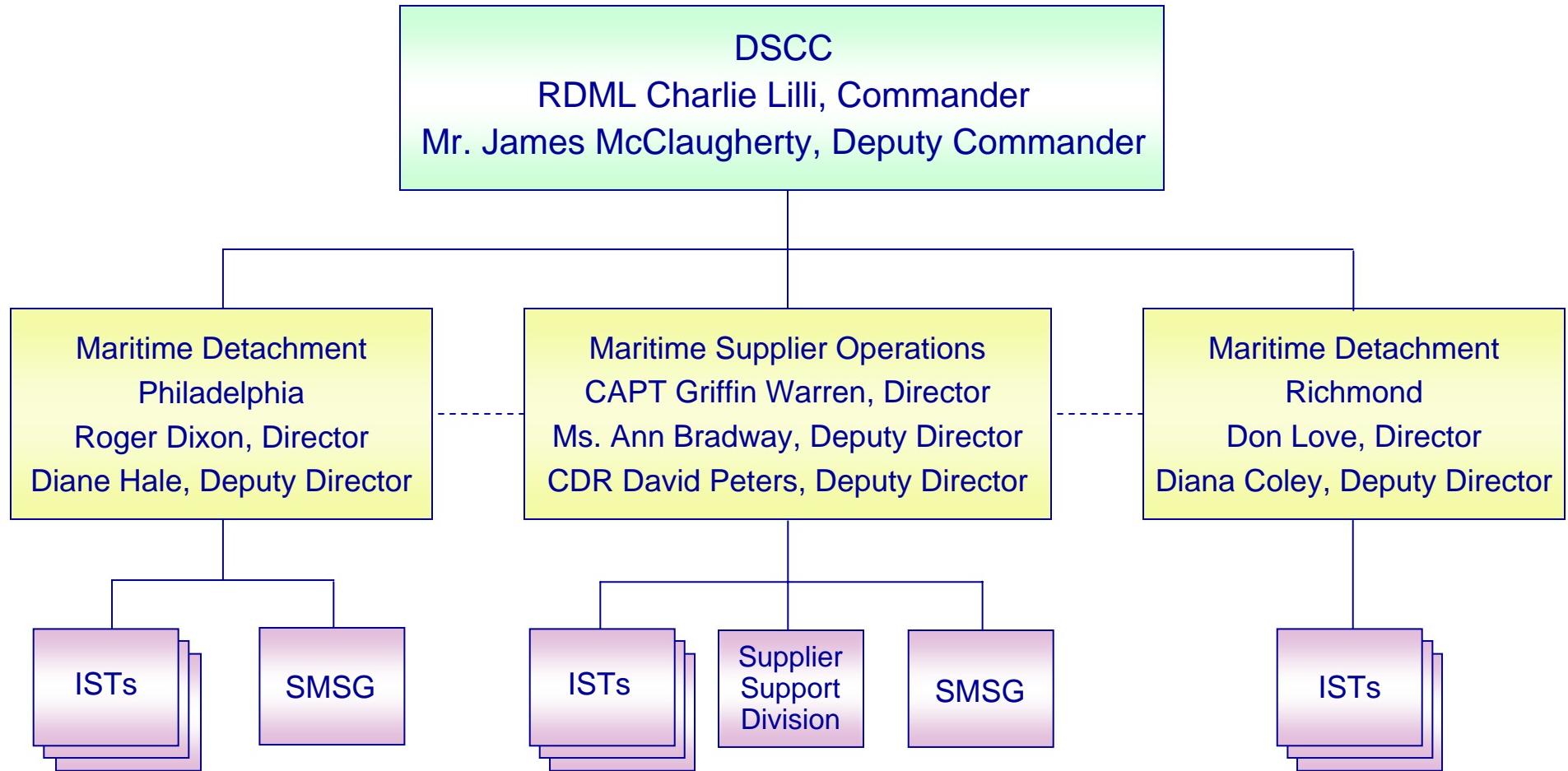
## By

**352K Contract Actions Worth \$1.7B**

- ~850 Employees • 32 Integrated Supplier Teams • 3 Sites



# Maritime Supplier Ops Organization





# BSM Roles, Responsibilities & Functions



## Integrated Supplier Team (IST) ... Basic Organizational Unit

- Product Specialists: What to buy?
- Supply Planners: How many and when to buy?
- Pre Award Acquisition Specialists: Execute the buy!

## Strategic Material Sourcing Group

- Long Term Contracting (LTC): Multi-NSNs & Corporate Contracts

## Supplier Support Division

- Small “Emergency Buying Team” for our customers’ most urgent needs
- Centralized Post-award for Contract Administration matters
- Manages PACE for all DSCC
- Centralized management of solicitation, award and administration of Auto IDPOs



# Supplier Relationship Management

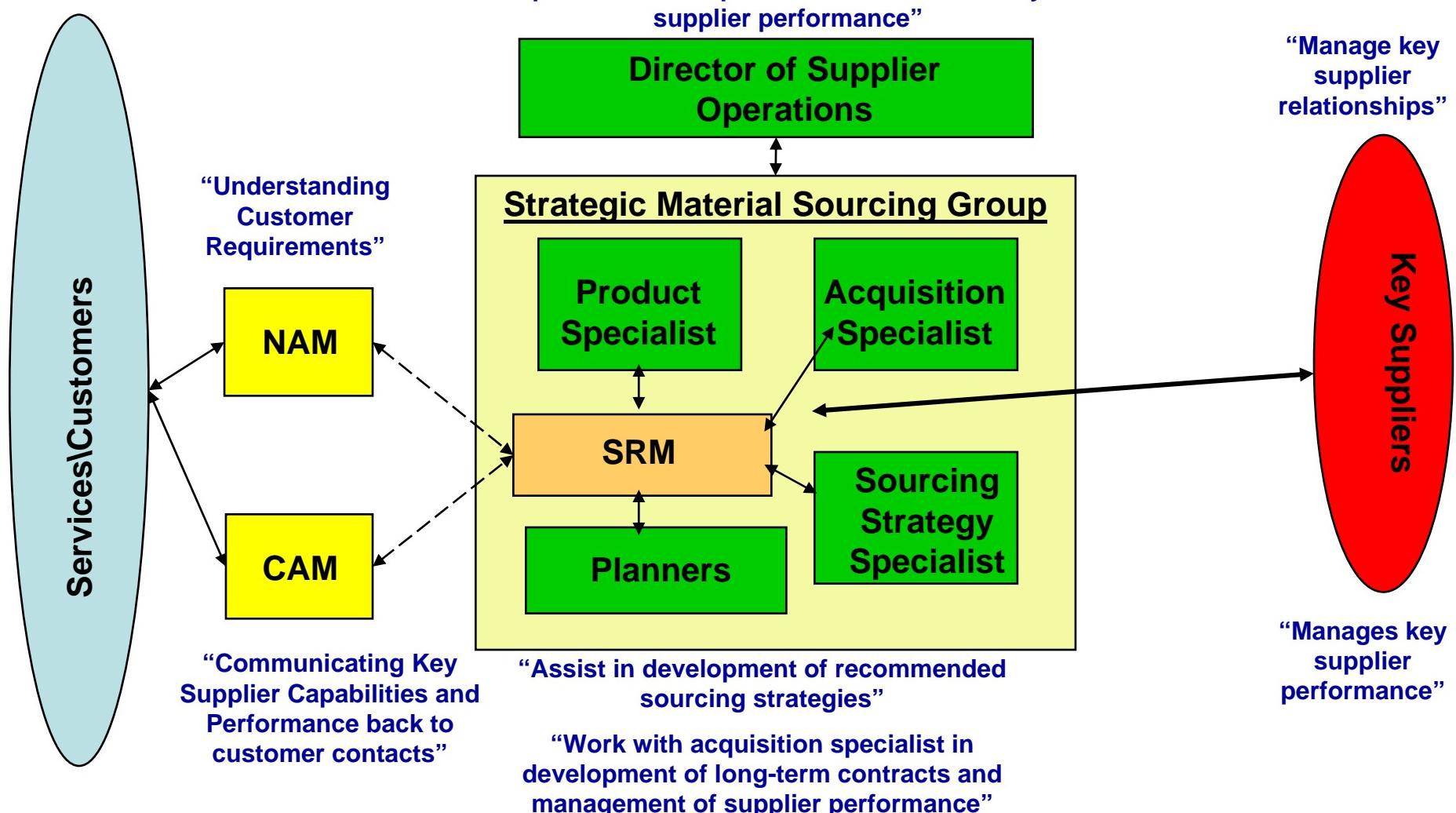


## What is it?

SRM is a strategy for building relationships with key suppliers across the DLA Enterprise. It is a way of evaluating and leveraging supplier capability and using the knowledge gained to improve business processes.



# SRM Organizational Position





# Supplier Alliances



## Objectives –

Allow both parties to work jointly to leverage capabilities to reduce inefficiencies in the supply chain.

## Suppliers –

Raytheon, York, Warren Pump, Dresser-Rand, Timken, Crane, Clarcor, Kambi Components.

## Goals –

- ALT & PLT Reduction
- Enhanced forecast
- Economic purchases
- Contract consolidation

## Successes –

- Price reductions
- Enhanced communication
- Greater LTC coverage
- ALT/PLT savings

**CLARCOR**

**TIMKEN**  
Where You Turn

**CRANE**  
AEROSPACE &  
ELECTRONICS

**Warren**

**DRESSER-RAND**

**Raytheon**

**YORK**  
A JOHNSON CONTROLS COMPANY

Kambi Components Co., Inc.  
Serving Government and O.E.M.



# How/Why Would SRM Engage My Company?



Key suppliers identified by spend

- Charters with 8 Suppliers

Commodity driven issues

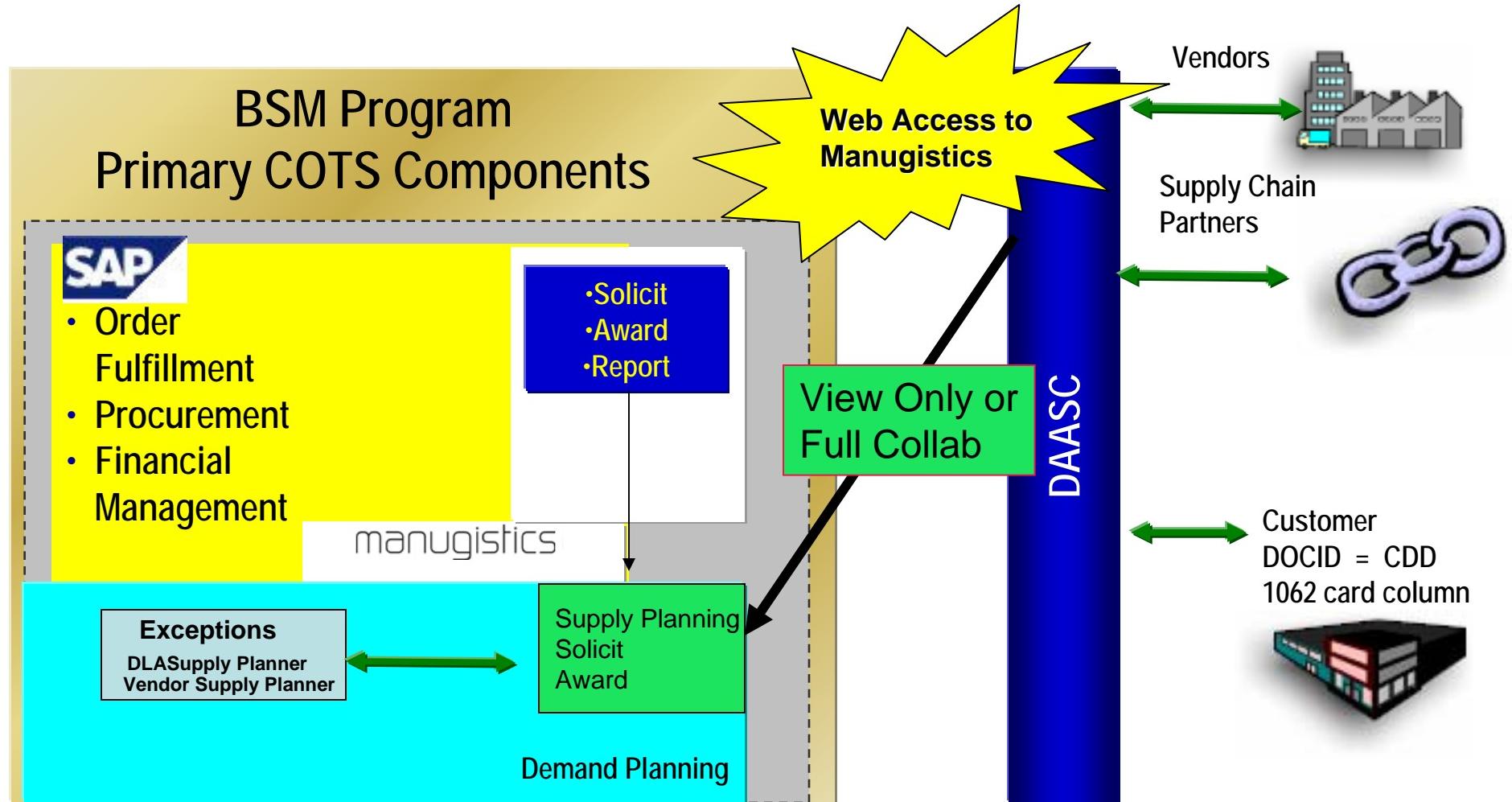
Process solutions

Complex issues that require coordination between customer and supplier



# Supplier Collaboration

Sole Source or Long Term Contract Items





# Supplier Collaboration Benefits



## *Benefits to the Supplier*

- See Time Phased Inventory Plan (TPIP) - anticipated DLA requirements out 24 months
- Ability to better plan production lines
- Reduce inventory levels
- Opportunity to smooth/adjust DLA planned orders before they become purchase orders that the vendor cannot fill



# Open Dialogue

Please visit Maritime Supplier Operations Booth (No. 709 and 710)



# Story Board Charts



# Active Devices Division



## Division Chief: Ernest Reid

### Integrated Supply Team Chiefs

Electronic Assemblies: James Amatore

Microcircuits & Semiconductors: Kenneth Rumford

Transformers: Lisa Ohl

### Top Federal Supply Classes

FSC	Nomenclature	Sales
5998	Electrical and Electronic assemblies	\$22,226,124
5962	Microcircuits, Electronic	\$21,445,221
5960	Electron Tubes and Associated Hardware	\$18,078,005



# Electrical Devices Division



## Division Chief: Larry Scarberry

### Integrated Supply Team Chiefs

Connectors: John Pacak

Relays, Wire, & Cable: John Crough

Switches: Regina Westbrook

### Top Federal Supply Classes

FSC	Nomenclature	Sales
5930	Switches	\$42,131,350
5935	Connectors, Electrical	\$23,265,932
5945	Relays and Solenoids	\$22,125,657



# Electronics Division



# **Division Chief: CDR Clifford Scott**

## Integrated Supply Team Chiefs

# Antennas, Fuses, & Circuit Breakers: Kathy Brewster

Fire Control & Fiber Optics: Robert Heber

## Top Federal Supply Classes

FSC	Nomenclature	Sales
5985	Antennas, Waveguides, & Related Equipment	\$42,182,329
5999	Miscellaneous Electrical & Electronic Components	\$16,382,901
5965	Headsets, Handsets, Microphones, & Speakers	\$16,181,528



# Fluid Handling Division



## Division Chief: Linda McCarty

### Integrated Supply Team Chiefs

Fittings: David McGraw

Flexible Hoses & Tubing: Anita Luich

Pipes & Tubing: LCDR Aaron Traver

Pumps & Compressors: Cheryle Casey

### Top Federal Supply Classes

FSC	Nomenclature	Sales
4730	Hose, Pipe, Tube, Lubrication, & Railing Fittings	\$36,555,885
4720	Hose & Flexible Tubing	\$30,535,270
4710	Pipe, Tube, & Rigid Tubing	\$15,207,346



# Valves & Hardware Division



## Division Chief: Linda K. Johnson

### Integrated Supply Team Chiefs

Non-Powered Valves: Stephen Finney

Powered Valves, Marine Hardware, & Nuclear Reactor Program: Joseph Smith

### Top Federal Supply Classes

FSC	Nomenclature	Sales
4820	Valves, Non-Powered	\$24,167,094
4810	Valves, Powered	\$12,692,646
2040	Marine Hardware and Hull Items	\$ 1,031,302



# Strategic Material Sourcing Group



## Chief: Ken Rumbaugh

Mission: Strategic Material Sourcing

Function:

- Determine optimal contracting strategy for Maritime Supply Chain NSNs
- Award long-term contracts including corporate and prime vendor contracts
- Maximize long-term contract coverage of strategic material sourcing (SMS) NSNs
- Execute contracting actions in support of SSAs and SCAs
- Optimize relationships with key suppliers through SRM

Strategic Sourcing Branch Chiefs: Kreston Harris, Evan Baisden, Jeff Dixius

Supplier Relationship Management Branch:

Bruce Shively, Lead SRM

Tom Bunnell, SRM



# **Strategic Material Sourcing Group**



# Strategic Sourcing Branches

## Branch Chiefs: Kreston Harris & Evan Baisden

Award multiple NSN long-term and corporate contracts

## Branch Chief: Jeff Dixius

Determine groupings of NSNs for long-term contracts; review technical and quality data; perform contract administration on multi-NSN long-term contracts

# Supplier Relationship Management Branch

## Lead SRM: Bruce Shively

# SRM: Tom Bunnell

Manage relationships with key suppliers via Strategic Supplier Alliances (SSAs) and Supply Chain Alliances (SCAs); coordinate with ISTs to develop solutions to process issues that may impact customer support



# Supplier Support Division



## Division Chief: David Glasscoe

**Mission:** Support for Maritime Supplier Operations

**Function:** Oversee Automated Indefinite Delivery Purchase Orders (AutoIDPOs), emergency buys, automated contracting, and post award

**Branch Chiefs:**

AutoIDPOs, Emergency Buy Team (EBT), Procurement Automated Contracting Evaluation (PACE): Ed Wingo

Post Award: Stephanie McCormick



# Supplier Support Division



**Emergency Buy, PACE, & AutoIDPO Branch**  
**Branch Chief: Ed Wingo**

**Emergency Buy Team Supervisor – Tom Comeans**

Customer-Direct Buys for our customers' most urgent requirements

**PACE & AutoIDPO Team Supervisor – Susan Knisley**

**Procurement Automated Contracting Evaluation (PACE):**  
Manage PACE automated solicitations and awards up to \$100,000

**Automated Indefinite Delivery Purchase Orders (AutoIDPOs):**

- AutoIDPOs are valid for up to two years or \$100,000.
- Manage solicitation, award, & administration of all AutoIDPO instruments



# Supplier Support Division



## Post Award Branch

Branch Chief: Stephanie McCormick

Post Award Supervisors - Joanne Bogner, Sue Coyer,  
Myrtice Gray, Jeff West

- Responsible for all post award issues related to existing contracts assigned to Maritime Supplier Operations. Proactively work delinquency, backorder and special project reports.
- The workload is assigned by state or cage code. SSA/SCA suppliers are assigned to specific administrators.
- Coordinate with supply planners, product specialists, resolution specialists, legal, DFAS and the DCMA's to resolve issues.

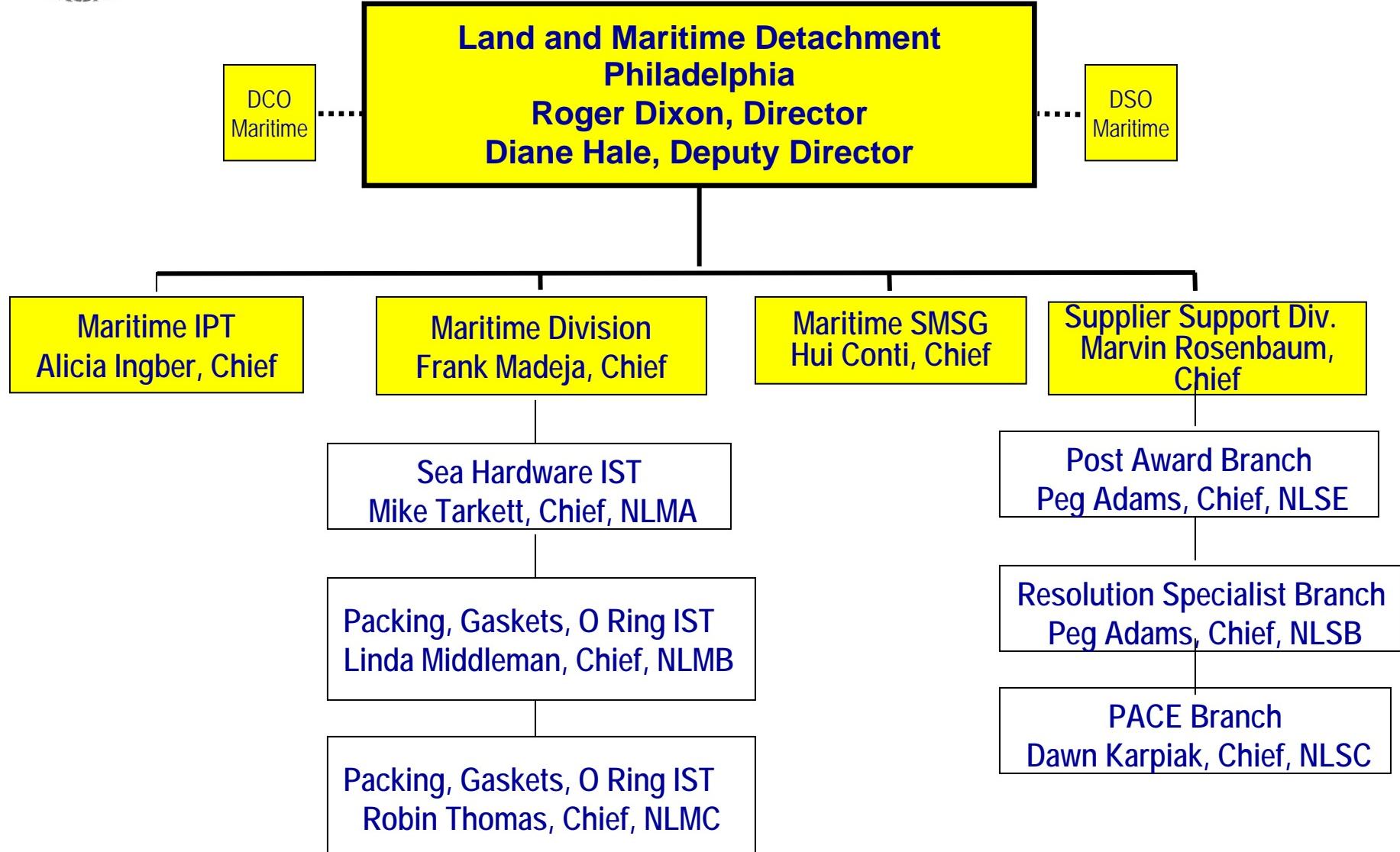


# Maritime Detachment Philadelphia





# Organization Design





# Maritime Support



## Federal Stock Codes

- 5330/31- Gaskets, O rings, Packing
- 5355 – Knobs, Dials, Pointers

## Item Characteristics

- 260K items managed
- Wide variety of materials
  - Cloth
  - Rubber
  - Paper
  - Petroleum based compounds
  - Metals
- Low dollar, high volume items
  - \$2500 average award value
  - 100K requisitions received each month



# IST Mission and Functions



- Maritime Integrated Supplier Teams (IST's)
  - Consists of Acquisition Specialists, Supply Planners, and Product Specialists that provide logistic support for assigned NIINs. (100K per team)
  - Primary Functions
    - Pre Award Acquisition
    - Supply Management
    - Technical Support
    - Long Term Contract Management
    - Nuclear Reactor Program Management





# SMSG



- Strategic Materiel Sourcing Group (SMSG)
  - Consists of Acquisition Specialists and Product Specialists who plan and execute contracts for groups of items
  - Primary Functions
    - Cradle to Grave Supply Chain Logistic Support
      - Average Contract Length: 5 years
      - Emphasis on developing supplier relationships
      - Emphasis on Socio Economic Programs
    - Corporate Contract Management



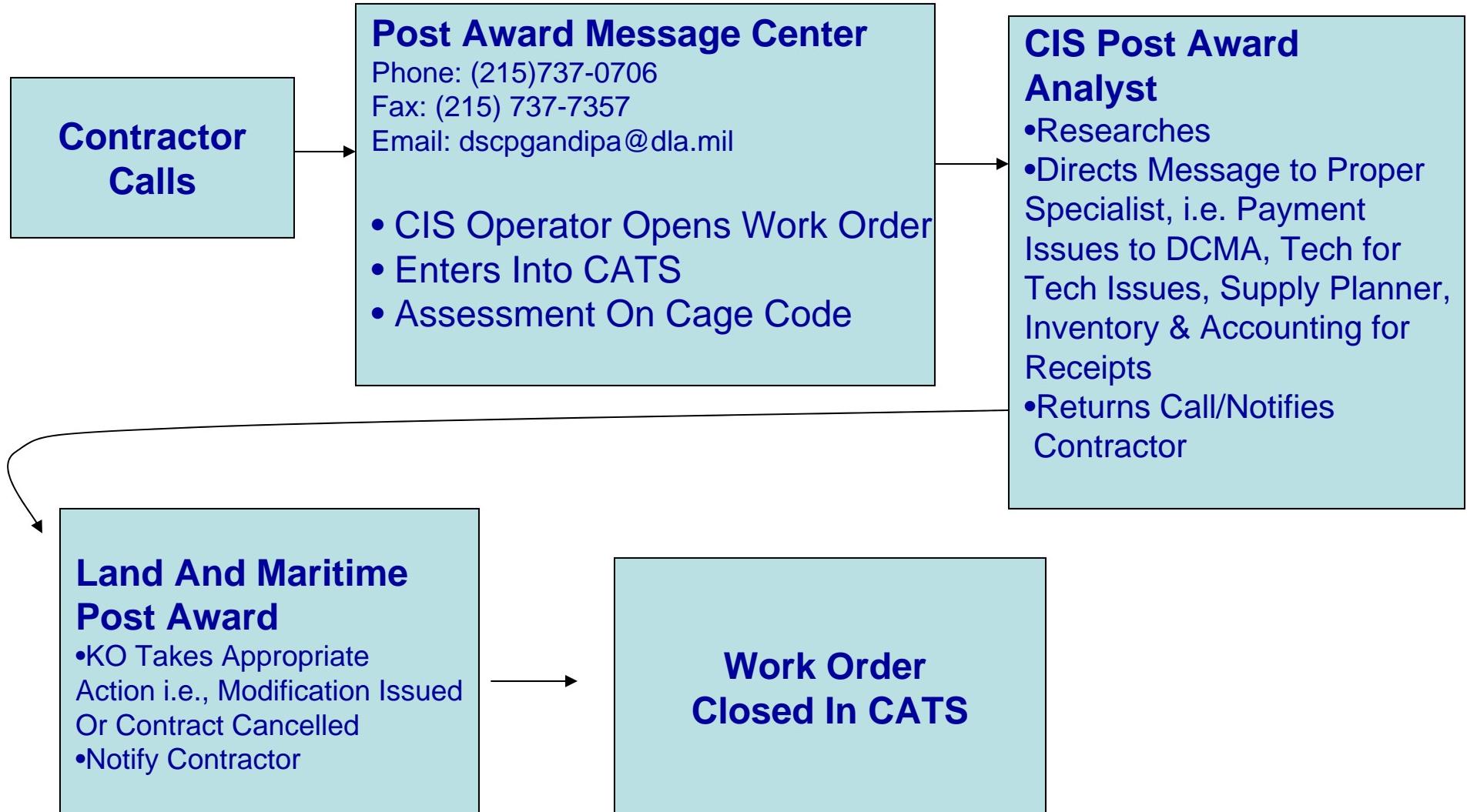
# Maritime Supplier Support Division



- Post Award Branch
  - Responsible for post award issues on purchase orders and assigned delivery orders.
    - Team Leader – Sharon Sax
- Resolution Specialist Branch
  - Responsible for inventory and accounting reconciliation issues. Works closely with DLA depots and post award team.
    - Team Leaders – Pam Stephens and Joann Peters
- PACE
  - Responsible for the automated purchase system.
    - Team Leader – Wilfredia Fields



# Post Award Process





# Land & Maritime Detachment

## Richmond - NL



### MARITIME SUPPLY CHAIN

Bearings

Motors

Maritime Instruments

Maritime Miscellaneous

Maritime Strategic Supplier Alliance



**“Haze gray and underway”**



# Land & Maritime Detachment

## Richmond - NL



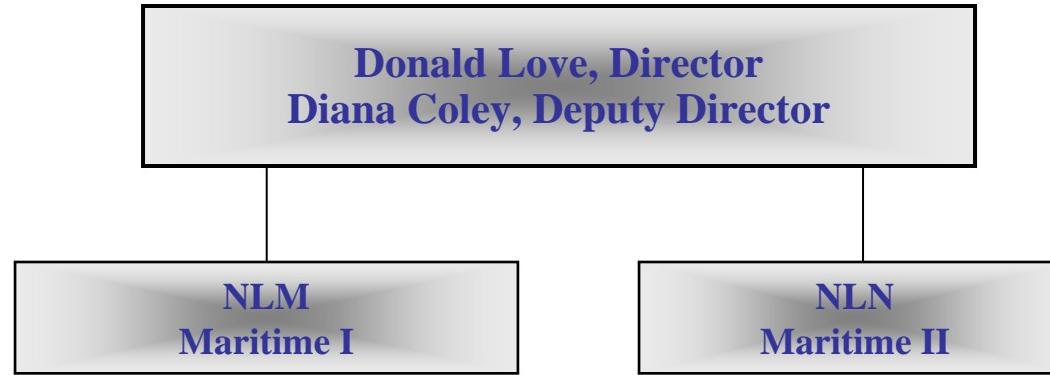
## Organization

- **Director (NL)** – Don Love
- **Deputy Director (NL)** – Deny Coley
  - **Maritime I (NLM)** – Kim Hansen
    - **Bearings I IST Lead (NLMA)** – Darrel Borum
    - **Bearings II IST Lead (NLMB)** – Russell Wells
    - **Bearings III IST Lead (NLMC)** – Charleen Trotter
  - **Maritime II (NLN)** – Mike Kuszmaul
  - **Maritime II Deputy (NLN)** – Julia Roquemore
    - **Motors IST Lead (NLNA)** – John McCloud
    - **Maritime Instruments IST Lead (NLNB)** – Martha Tuck
    - **Maritime Miscellaneous IST Lead (NLNC)** – Emma Pfeiffer
    - **Maritime SSA IST Lead (NLND)** – Earnestine Minor



# Land & Maritime Detachment

## Richmond - NL



### Scope of Business

FY06 Proj. Sales (M)	\$390
FSCs:	164
NSNs:	207,318
Avg Monthly Demands:	64,460
Personnel	Civilians 196



# Land & Maritime Detachment

## Richmond - NL



## FSC Management

- **Maritime I**
  - FSCs
    - 3110 Bearings, Anti-friction, Unmounted
    - 3120 Bearings, Plain, Unmounted
    - 3130 Bearings, Mounted
- **Maritime II**
  - 160+ FSCs, Some of the Major Ones are:
    - 5940 Lugs, Terminals and Terminal Strips
    - 5975 Electrical Hardware and Supplies
    - 5995 Cable, Cord and Wire Assemblies
    - 6105 Motors, Electrical
    - 6110 Electrical Control Equipment
    - 6130 Power Conversion Equipment, Electrical
    - 6150 Misc. Electrical Power, Solar Elec. Power Sys., Fuel Units Components and Access
    - 6650 Optical Instruments
    - 6680 Liquid and Gas Flow, Liquid Level, and Mech. Motion Measuring Instruments
    - 6685 Pressure, temp. and Humidity Measuring and Controlling Inst.



# Land & Maritime Detachment

## Richmond - NL



- BSM Roll Out Complete Sept 1.
  - Draw Down of Legacy Workload
- Reorganization Mid October
  - Consolidation of LTC Efforts
  - Establish Emergency Buyer Group
  - Consolidates Post Award Resources
  - Establish Program Mgmt Group

# *2006 Land & Maritime Supply Chains Business Conference & Exhibition*

## *Challenges and Opportunities Government and Industry*



29 August 2006



**VADM J. D. McCarthy, SC, USN**  
*Director*  
*Material Readiness and Logistics*  
*OPNAV N4*



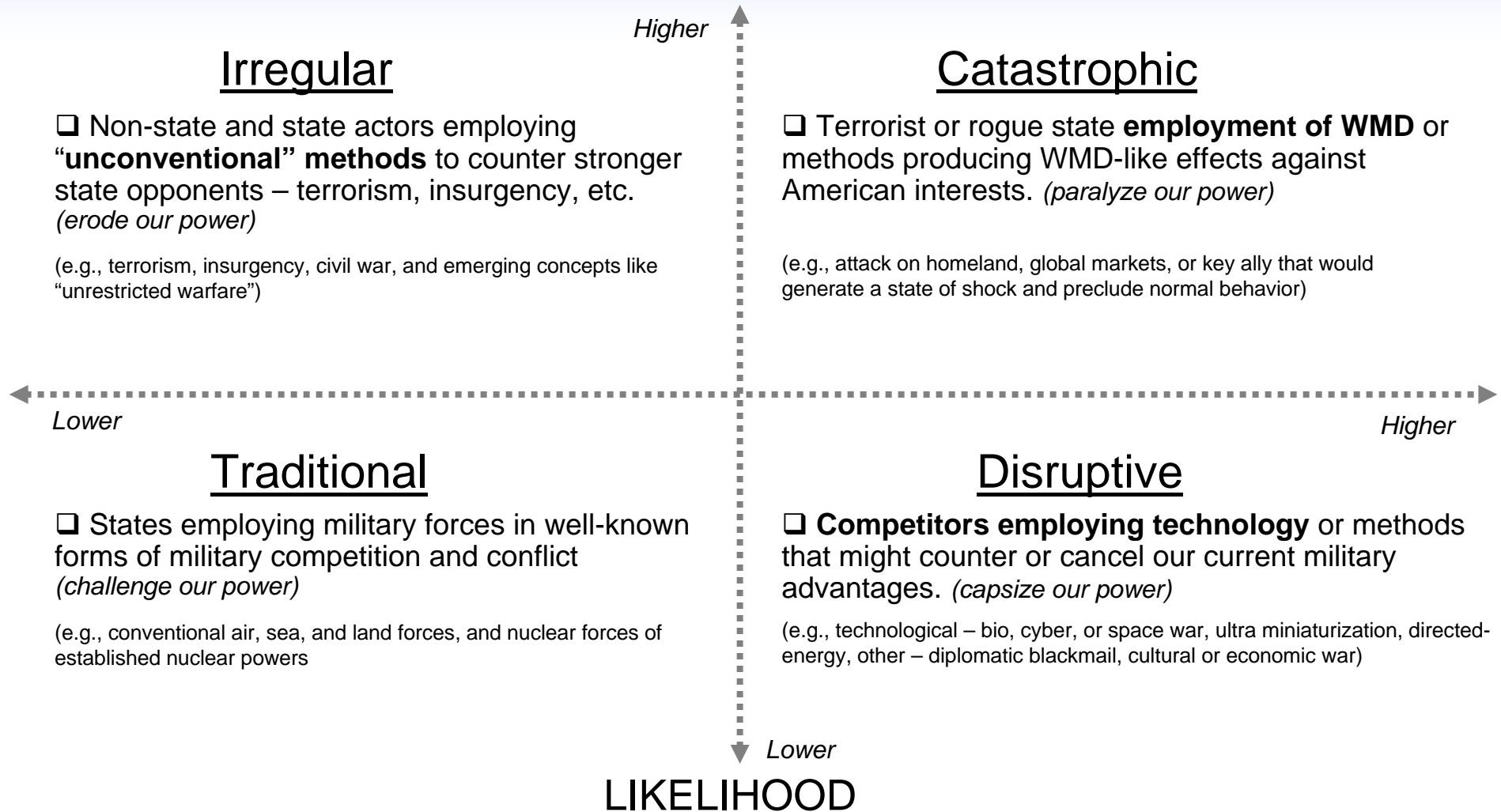
# Bottom Line Up Front

- New threat emergence requires new capabilities
- Fiscal pressures are increasing, complicating our ability to:
  - Deliver new capabilities, while
  - Sustaining readiness and
  - Fighting a war (and resetting thereafter)
- Government/Industry partnering essential to developing solutions



# The New Threat Environment

VULNERABILITY

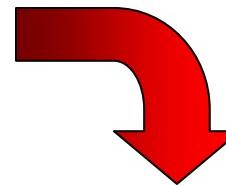


***Requires a complex combination of capabilities to meet the threat***

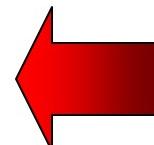


# CNO's "Top Three"

- Sustain Combat Readiness
- Build a Fleet for the Future
  - Quadrennial Defense Review (QDR)
  - Base Realignment and Closure (BRAC)
- Develop 21<sup>st</sup> Century Leaders



- 313 Ship Navy
- 1000 Ship Navy partnership
- Increased GWOT engagement
- Navy Expeditionary Combat Command



## QDR Priorities

- Defend the Homeland in Depth
- Defeat Terrorist Networks
- Shape the Choices of Countries at Strategic Crossroads
- Prevent Hostile State and Non-State Enemies from Acquiring WMD

## Follow-on Roadmap

- Building Partnership Capacity



# Navy Strategic Plan

## *Desired Effects ...*

- Dominate littoral waters
- Influence events ashore
- Provide unique maritime capabilities
- Maintain persistent forward presence
- Strengthen alliance w/ strategic partners
- Shape / align shore infrastructure
- Build a Naval force for tomorrow

Riverine

Civil  
Affairs

1000 ship  
Navy

NAV2030

Joint Logistics  
Engagement

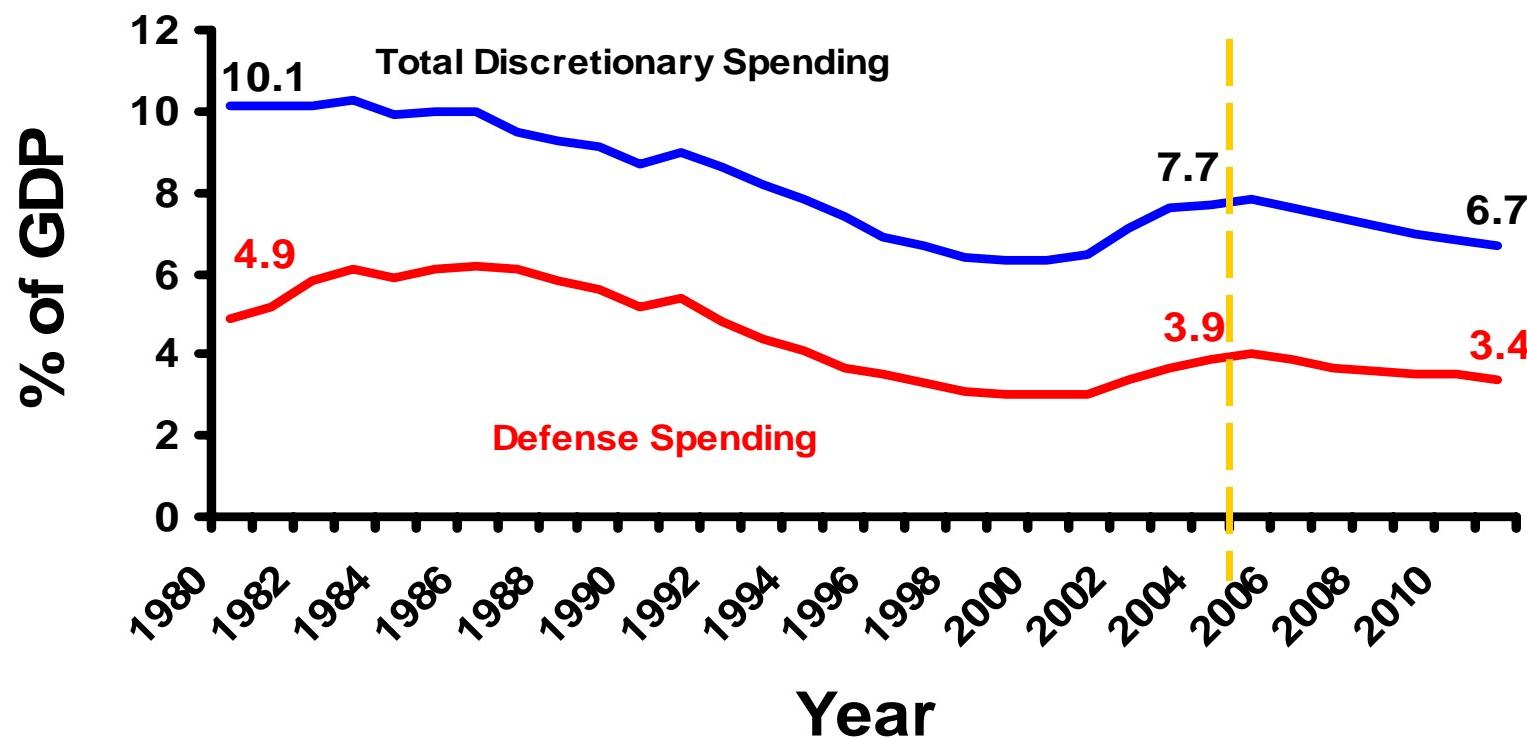
313 future  
force structure



# External Drivers

## Economic Factors

*Defense spending  
parallels total  
discretionary spending*



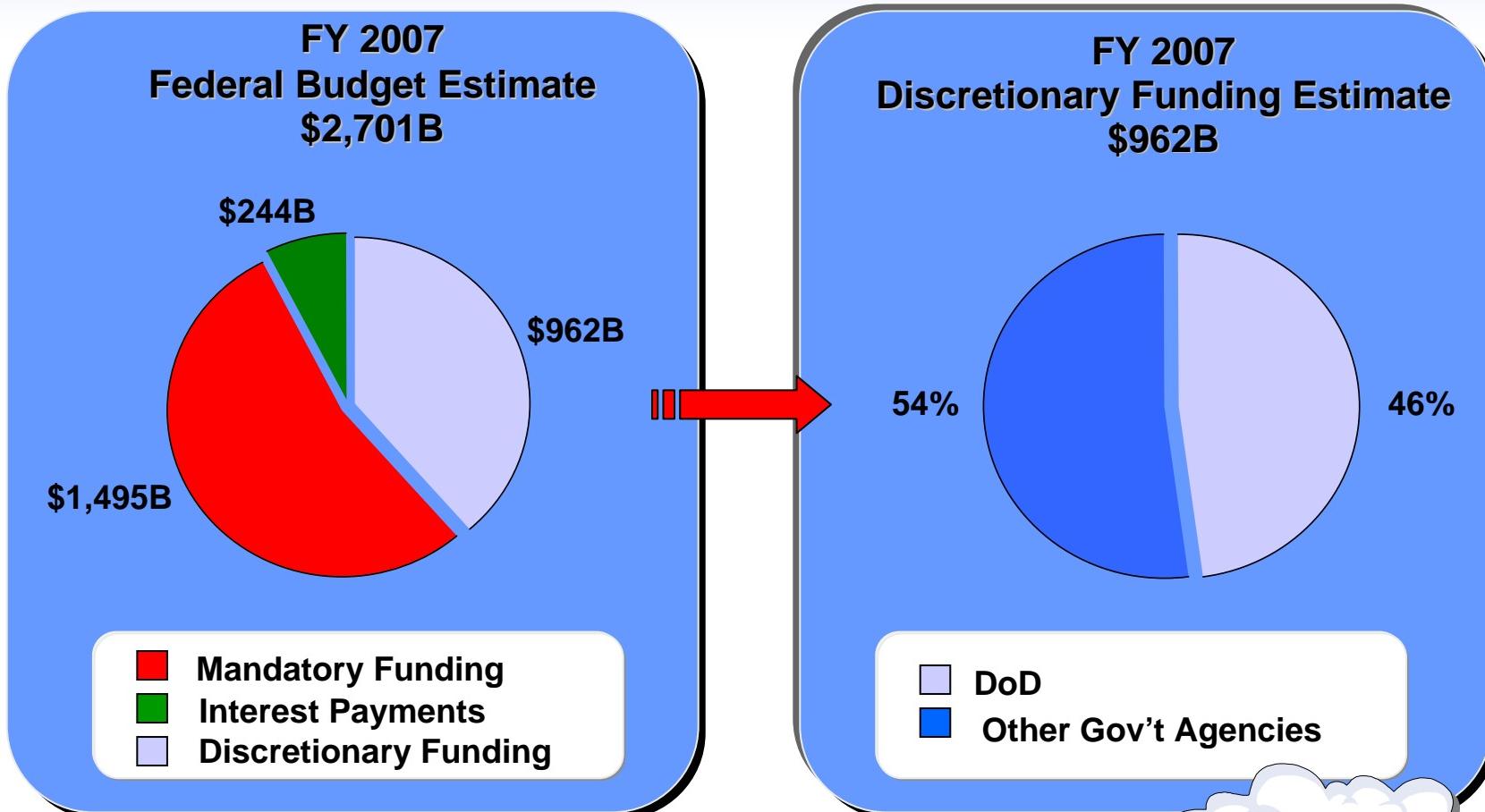
Source: CBO 31 AUG 05



# Federal Budget Reality

## *President's Budget Request 2007*

7



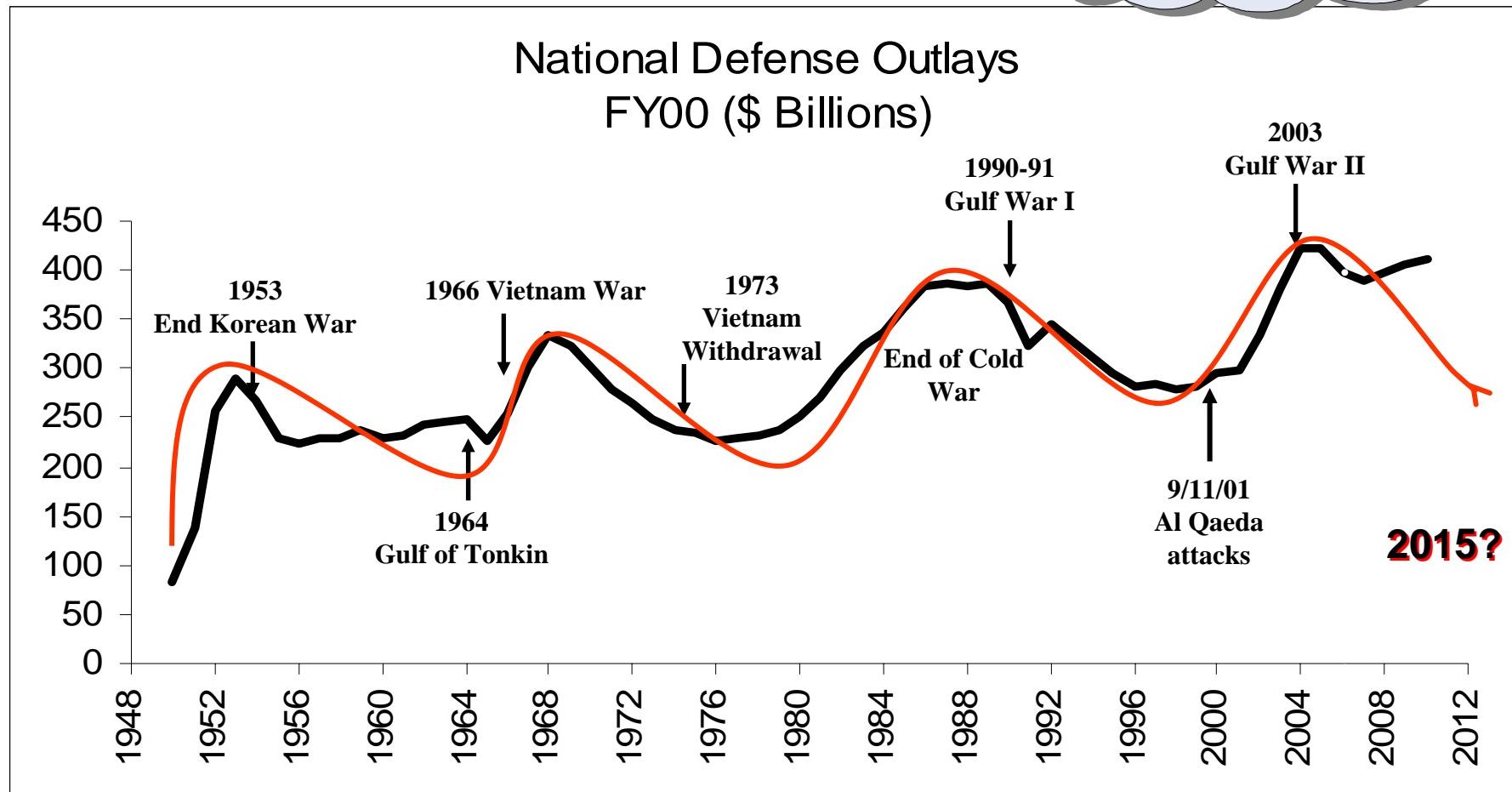
\* CBO projects mandatory funding will grow by \$1.4 trillion by 2015

7



# Internal Drivers National Defense Outlays

*Outlays expected to drop 13% by 2011*



Note: Outlays lag budget reductions by about 2-4 years

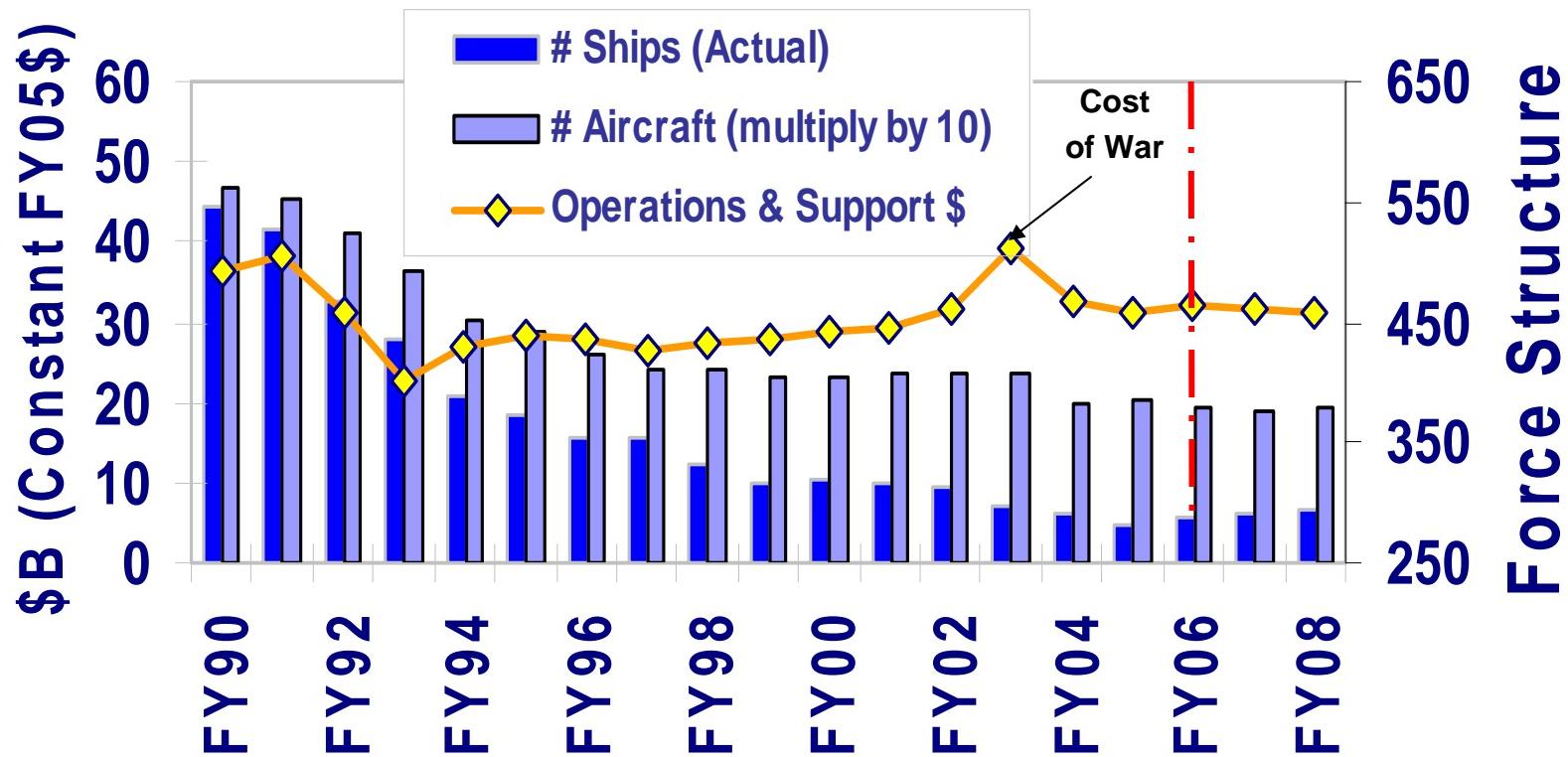
Source: Library for Integrated Learning and Technology, Illinois State



# Internal Drivers

## *Operations & support costs rising*

O&S cost  
grew 10% from  
FY00-FY05



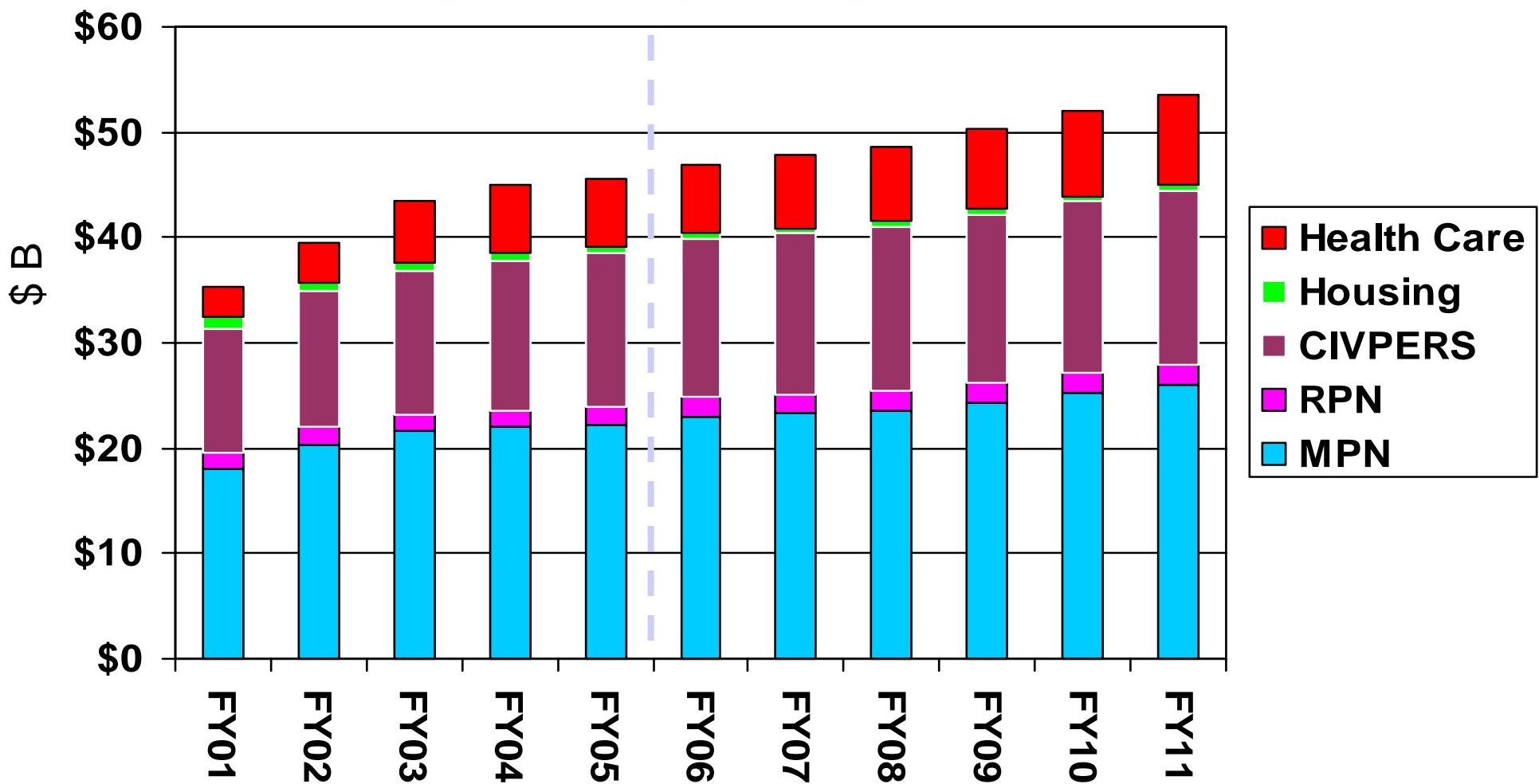
***Recapitalization investment at risk!***



# Internal Drivers Navy Spend on People

FY06-11 has net costs growing another 14%

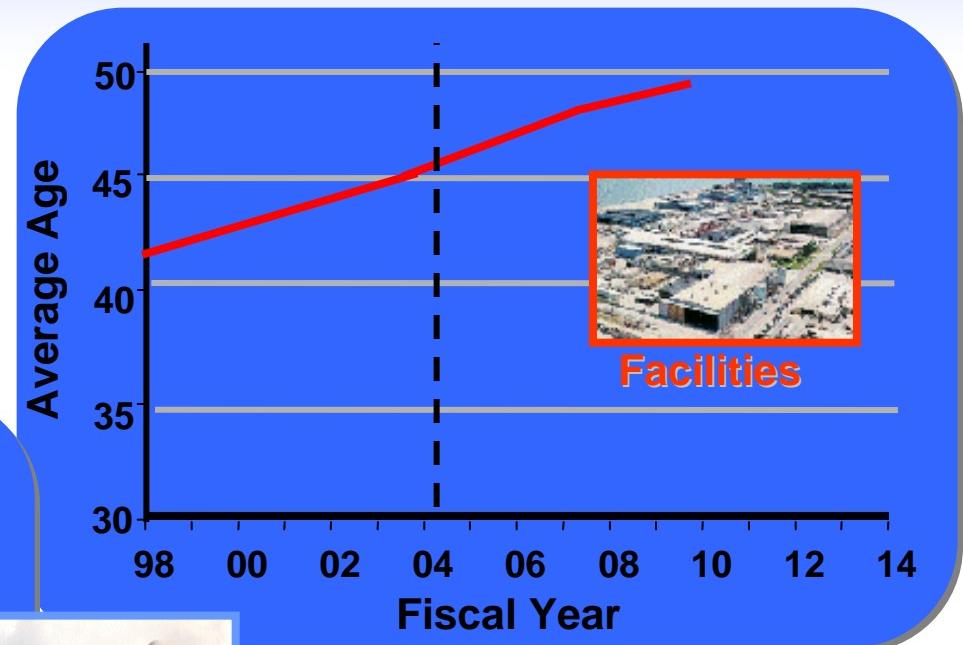
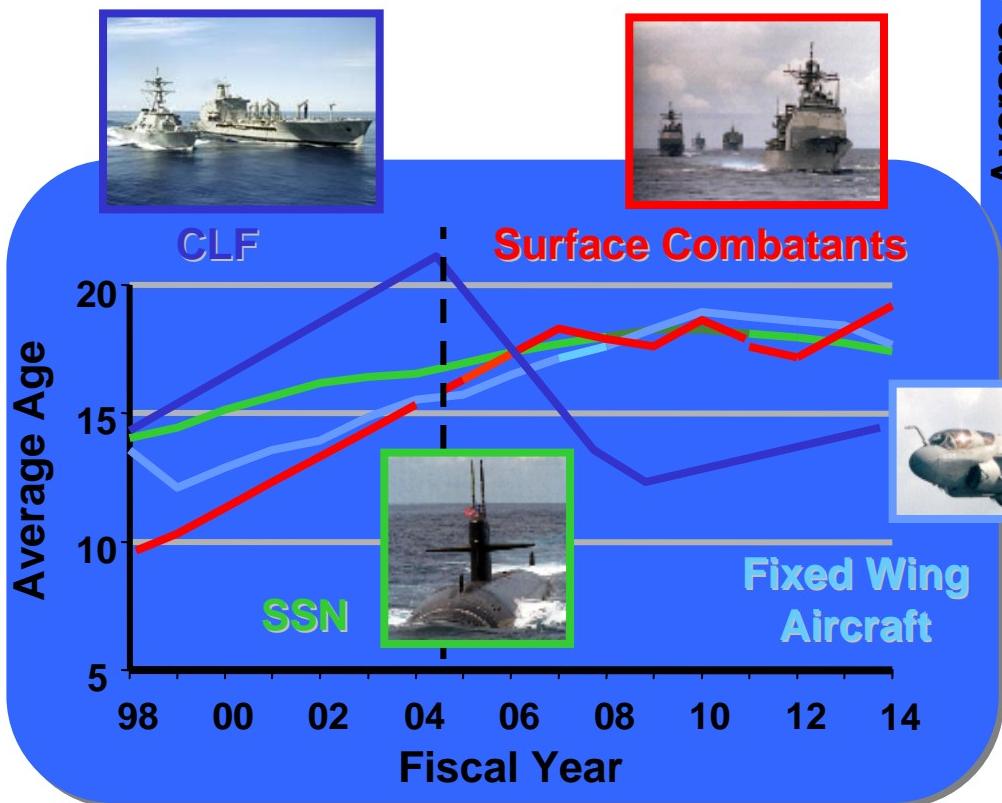
91-05 costs up ~20% despite manpower reductions of ~40%





# Aging Force Structure and Facilities

*Under investment in new acquisition/modernization...*



*...Results in aging Force Structure*

*Trends unlikely to change without dramatic action*



# The Environment We Face

## *Program vs Budget ...*

- Federal Budget unlikely to grow
- DoD Budget expected to be under pressure for additional reductions
  - Growing entitlement programs
  - Domestic priorities
- DoD has significant internal challenges
  - Growing manpower costs
  - Aging force structure/infrastructure
  - Cost of War and Reset cost



**Burning  
platform**



# Getting at the Cost

## Focus

- Create Enterprise framework/governance
- Change consumption behaviors
- Create cost-wise readiness
- Leveraging joint capabilities

## Enterprise Initiatives

- AIRSpeed efficiencies
- SHIPMAIN
- Performance Based Logistics (PBL)
- Fleet Readiness Centers (FRC)





# Jacksonville AIRSpeed Initiative

## *EA-6B re-wing production*

### EA6B WORK-IN-PROCESS **BEFORE**



### MANAGEABLE WORK-IN-PROCESS **AFTER**



- TAT = 594 DAYS FY03
- WIP = 16
- Walk distance 45,125 ft.

- TAT = 358 Days FY05
- WIP = 8 in FY05
- Walk distance reduced to 8,670 ft

RETURNED TWO SQUADRONS OF AIRCRAFT TO THE FLEET  
INCREASED ON-TIME DELIVERIES (OTD) FROM 31% TO 83%



# Main Propulsion Diesel Engine

## *Maintenance Process Improvement*

15



USN PC 2.5  $A_0 = .55$

USN

48 Engines  
\$2,229,167 per engine/year

MSC PC 4.2  $A_0 = .93-.97$

MSC

56 Engines  
\$319,728 per engine/year

**\$107,000,000 per year**

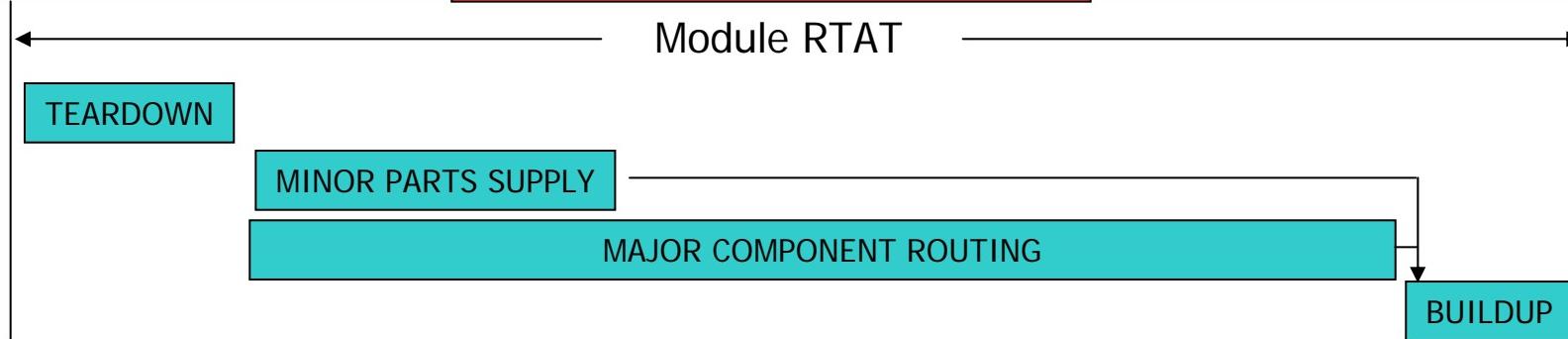
**\$17,904,800 per year**

*Improving diesel engine readiness through fluid quality monitoring and performance monitoring*

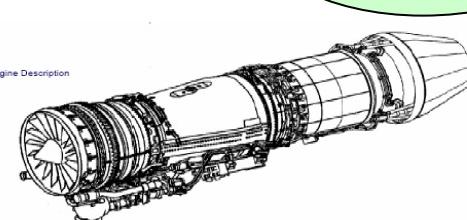
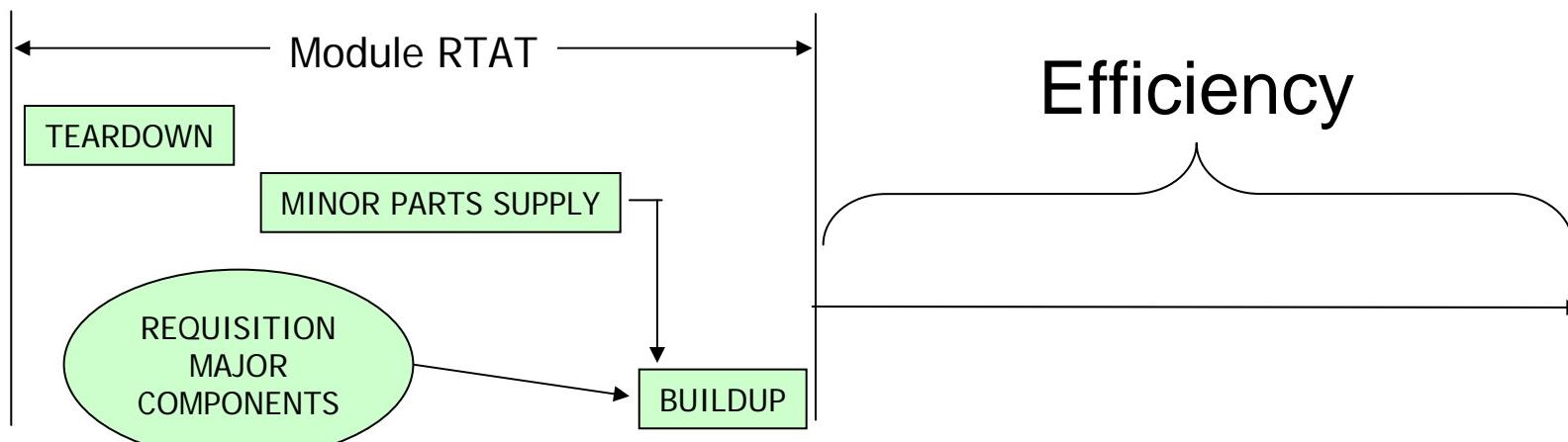


# F414GE-400 Depot Component PBL

## *Traditional Concurrent Repair*



## *Depot Component PBL*



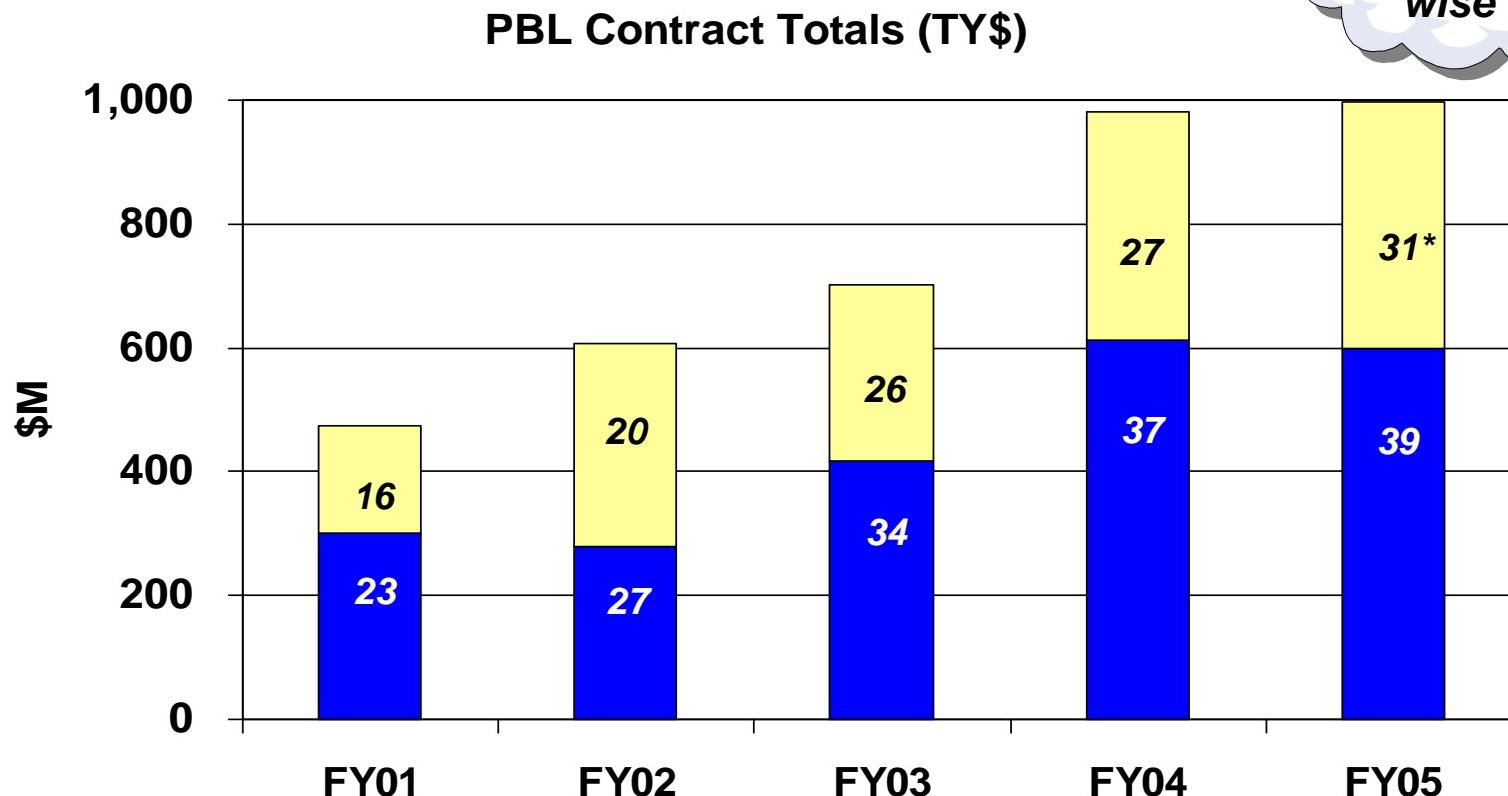
**Better TAT through Innovation and Partnering**



# Increased Reliance on Industry Support

- Providers held to customer-oriented performance requirements
  - Growing significantly in size -- \$475M FY01 to ~\$1B FY05

## **Desired effect: Improved cost- wise readiness**



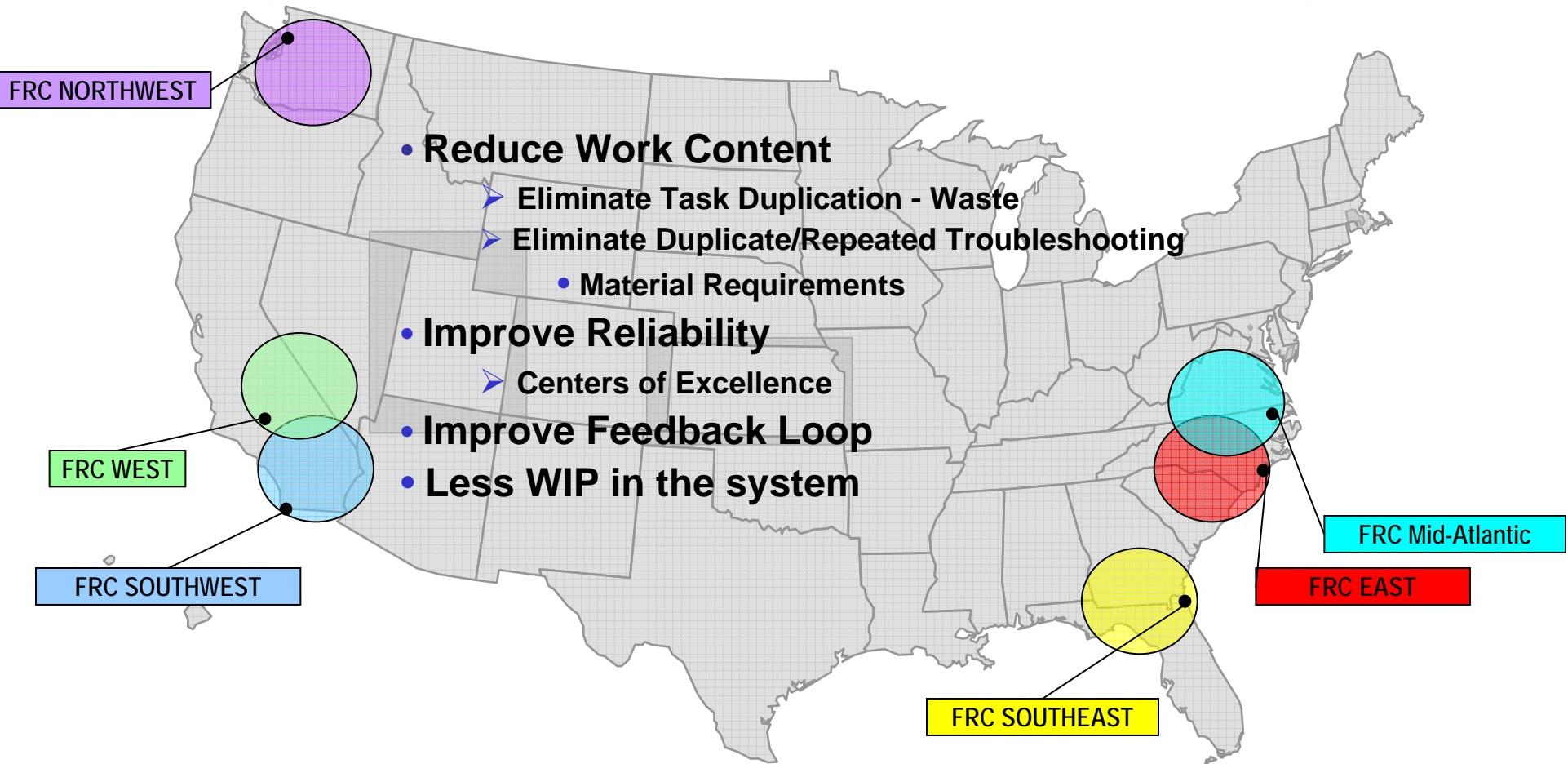
#### \* Number of Active Contracts

Source: DD form 350



# Fleet Readiness Centers - FRCs

## *Naval Aviation Enterprise IMA / DEPOT INTEGRATION*



*Fleet Readiness Centers: A Transformational Initiative*



# Desired Outcome

- Readiness at reduced cost
- Combined Government and Industry efforts
  - Aggressive innovation
  - Shared partnerships
- Cost-wise readiness cuts both ways

We need your ideas!

***Not more with less - more with what we have***



# Land & Maritime Demand/Supply Chains... Today and Tomorrow



Mr. James McClaugherty, SES  
DSCC, Deputy Commander



# Agenda



- DSCL As You Knew Us
- DSCL As You Know Us
- DSCL As You Will Know Us
- Summary



# “Yesterday”

DSCC  
1997 - 2002



# DLA Overview... Organization



## CORPORATE STAFF

**DIRECTOR**



**VICE DIRECTOR**

**COMMAND SERGEANT MAJOR**



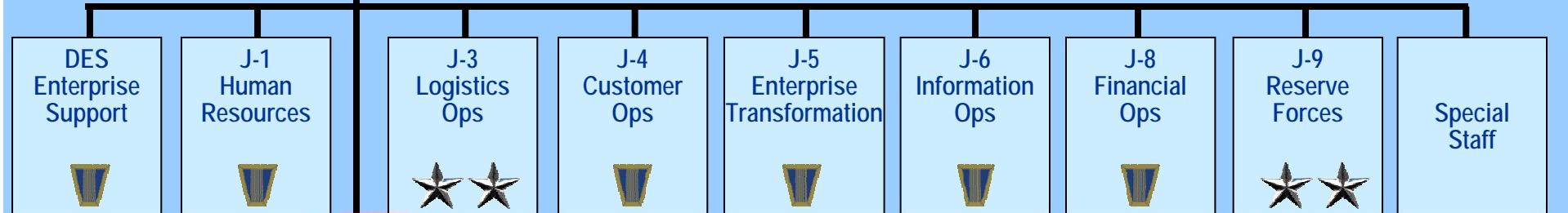
**DLA Director**  
LTG Robert Dail  
United States  
Army



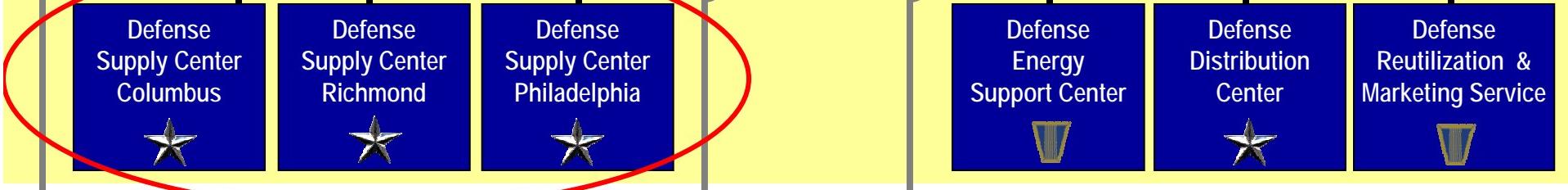
**Vice Director**  
Major General  
Loren Reno  
United States  
Air Force



**CSM**  
Command  
Sergeant Major  
David Roman  
United States  
Army



## BUSINESS UNITS

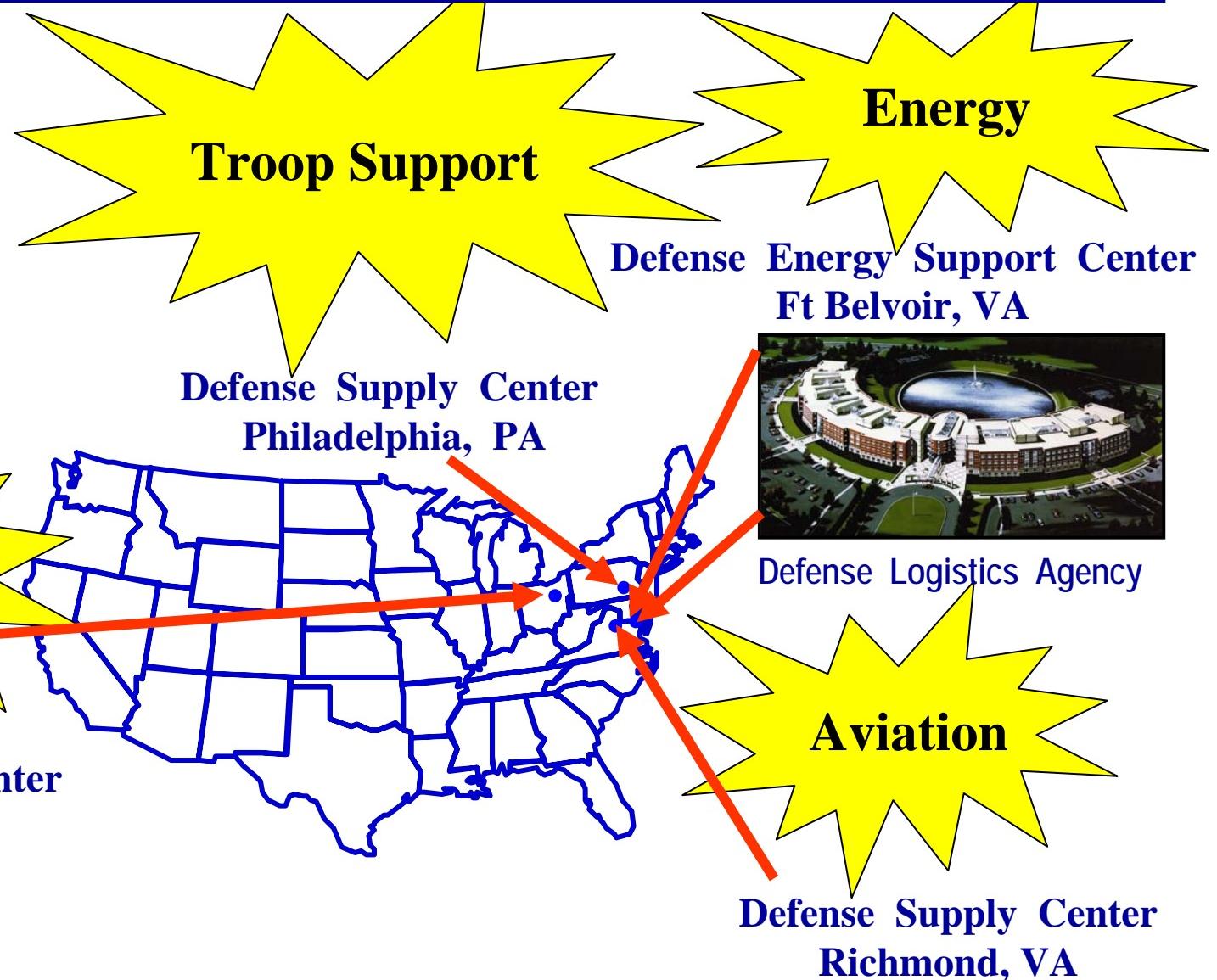


## SERVICE ACTIVITIES



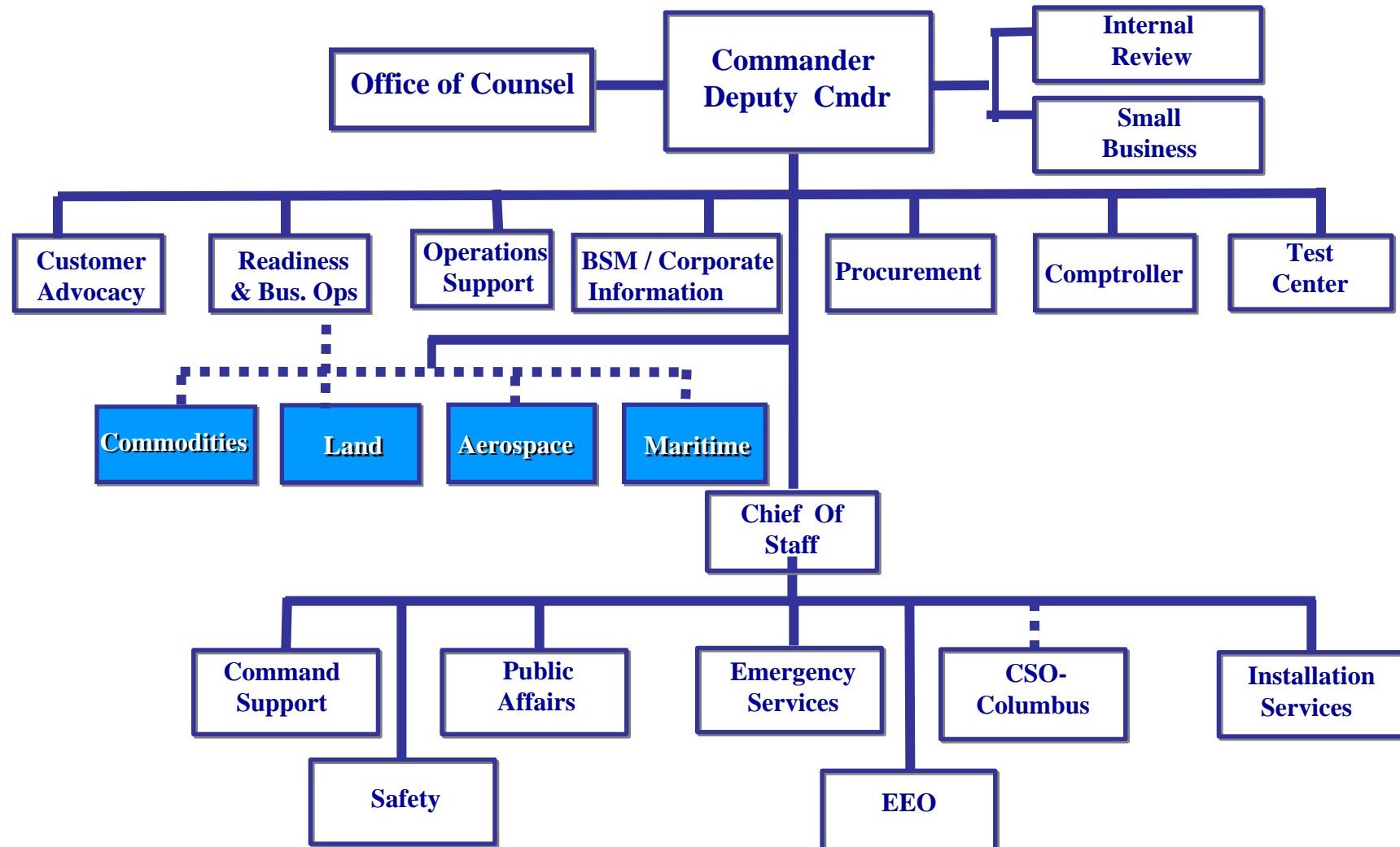


# Lead Center (1997 – 2002)





# Organizational Structure





## “Single Point Accountability For Outcomes”

Commodities Director & Deputy	Land Director & Deputy	Aerospace Director & Deputy	Maritime Director & Deputy
<b>Business Operations</b> <ul style="list-style-type: none"><li>- Supply</li><li>- Acquisition</li><li>- Technical</li><li>- Quality</li></ul> <b>Readiness Support</b> <ul style="list-style-type: none"><li>- WSSMs / WSPOCs</li><li>- ESOC</li></ul> <b>Tailored Support Unit</b> <ul style="list-style-type: none"><li>- Long Term Contracts</li><li>- Tailored Support Teams</li><li>- Corporate Contracts</li></ul>	<b>Business Operations</b> <ul style="list-style-type: none"><li>- Supply</li><li>- Acquisition</li><li>- Technical</li><li>- Quality</li></ul> <b>Readiness Support</b> <ul style="list-style-type: none"><li>- WSSMs</li><li>- ESOC</li></ul> <b>Tailored Support Unit</b> <ul style="list-style-type: none"><li>- Long Term Contracts</li><li>- Tailored Support Teams</li><li>- Corporate Contracts</li></ul>	<b>Business Operations</b> <ul style="list-style-type: none"><li>- Supply</li><li>- Acquisition</li><li>- Technical</li><li>- Quality</li></ul> <b>Readiness Support</b> <ul style="list-style-type: none"><li>- WSPOCs</li><li>- ESOC</li></ul> <b>Tailored Support Unit</b> <ul style="list-style-type: none"><li>- Long Term Contracts</li><li>- Tailored Support Teams</li><li>- Corporate Contracts</li></ul>	<b>Business Operations</b> <ul style="list-style-type: none"><li>- Supply</li><li>- Acquisition</li><li>- Technical</li><li>- Quality</li></ul> <b>Readiness Support</b> <ul style="list-style-type: none"><li>- WSSMs</li><li>- ESOC</li></ul> <b>Tailored Support Unit</b> <ul style="list-style-type: none"><li>- Long Term Contracts</li><li>- Tailored Support Teams</li><li>- Corporate Contracts</li></ul>



# SAMMS Attributes



- Characteristics
  - BATCH (Multiple Versions)
    - SAMMS process used daily/weekly batch programs which delayed processing at times
  - COBOL
    - SAMMS used older COBOL programming language; developed 30 years ago
    - Not a financially compliant system; SAMMS not financially compliant
  - ETC
    - Information Technology Support for SAMMS; very expensive vs. new system



# Sales/Obligations (Pre-GWOT)



	<u>Sales</u>	<u>Obs</u>
FY96	\$1,838.9M	1,138.0M
FY97	\$1,819.8M	1,334.1M
FY98	\$1,928.4M	1,325.8M
FY99	\$1,758.8M	1,300.2M
FY00	\$1,844.9M	1,354.2M
FY01	\$2,014.1M	1,475.6M



“Today”

Land & Maritime  
2006



# DSCC ICP... Organization

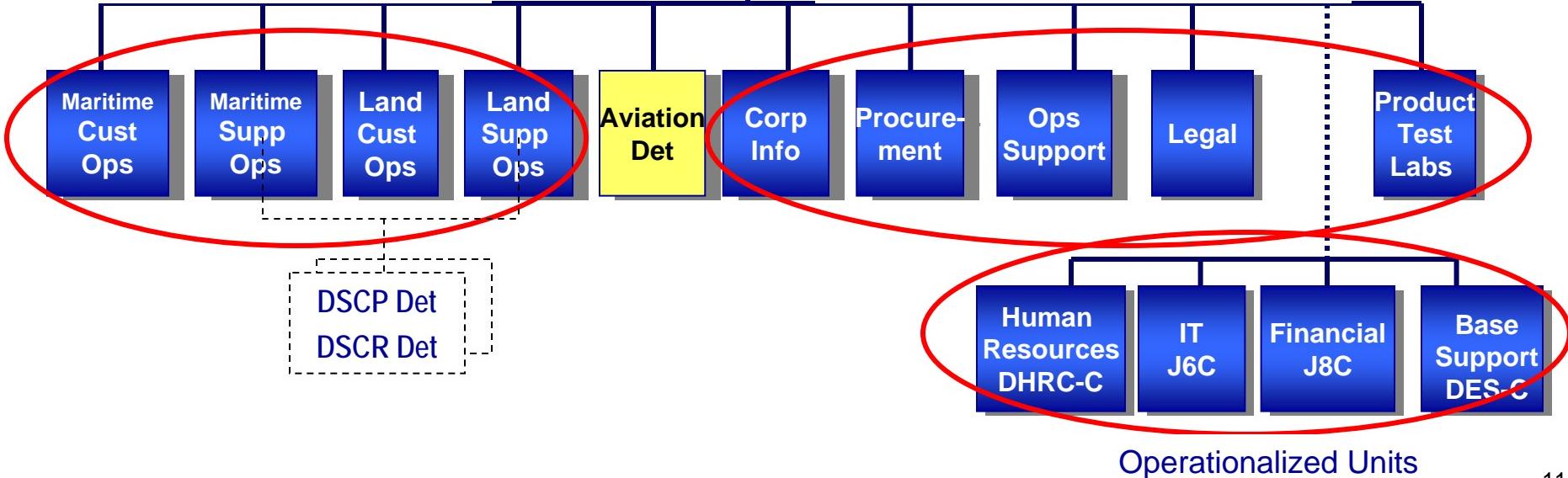


ICP Commander  
Deputy Commander  
Chief-of-Staff  
Deputy Chief of Staff

Demand/Supply Chains

Detachment

Process Mgmt/Shared Services





# Land & Maritime Business Profile



## Sales Trend

- FY02 \$2.3B
- FY05 \$3.1B
- FY06 (proj) \$3.2B

## Sales by Supply Chain

- Land \$1.4B
- Maritime \$1.7B
- Aviation \$0.6B\*

## Foreign Military Sales

- Sales: \$240M
- Supporting 90 nations



**MAROTTA**

**Warren**

**DOSHKO SH**

**YORK**  
Leading the World in Heating,

**GENERAL DYNAMICS**  
*Strength On Your Side*

**DRESSER-RAND**

**AM General**

## Scope of Business

- 8.2M requisitions/yr
- 525K contracts/yr
- 2M NSNs
- 1.3K+ weapon systems
- 25K+ customers
- 6K+ suppliers



## Our People

- 2500+ civilians
- 43 active duty
- 32 reserve



# L&M Personnel



• Land Demand Chain	151
• Land Supply Chain	482
• Maritime Demand Chain	101
• Maritime Supply Chain	973
• Process Management	690
	<hr/>
	2397

\* Columbus Aviation Detachment: 220



# BSM IT Components



## BSM Program Primary Components



- Order Fulfillment
- Procurement
- Financial Management
- Tech Quality

### DPACS Suite

- Solicit
- Award
- Report

### manugistics

- Demand Planning
- Supply Planning
- Collaborate

BW and Crystal Reports



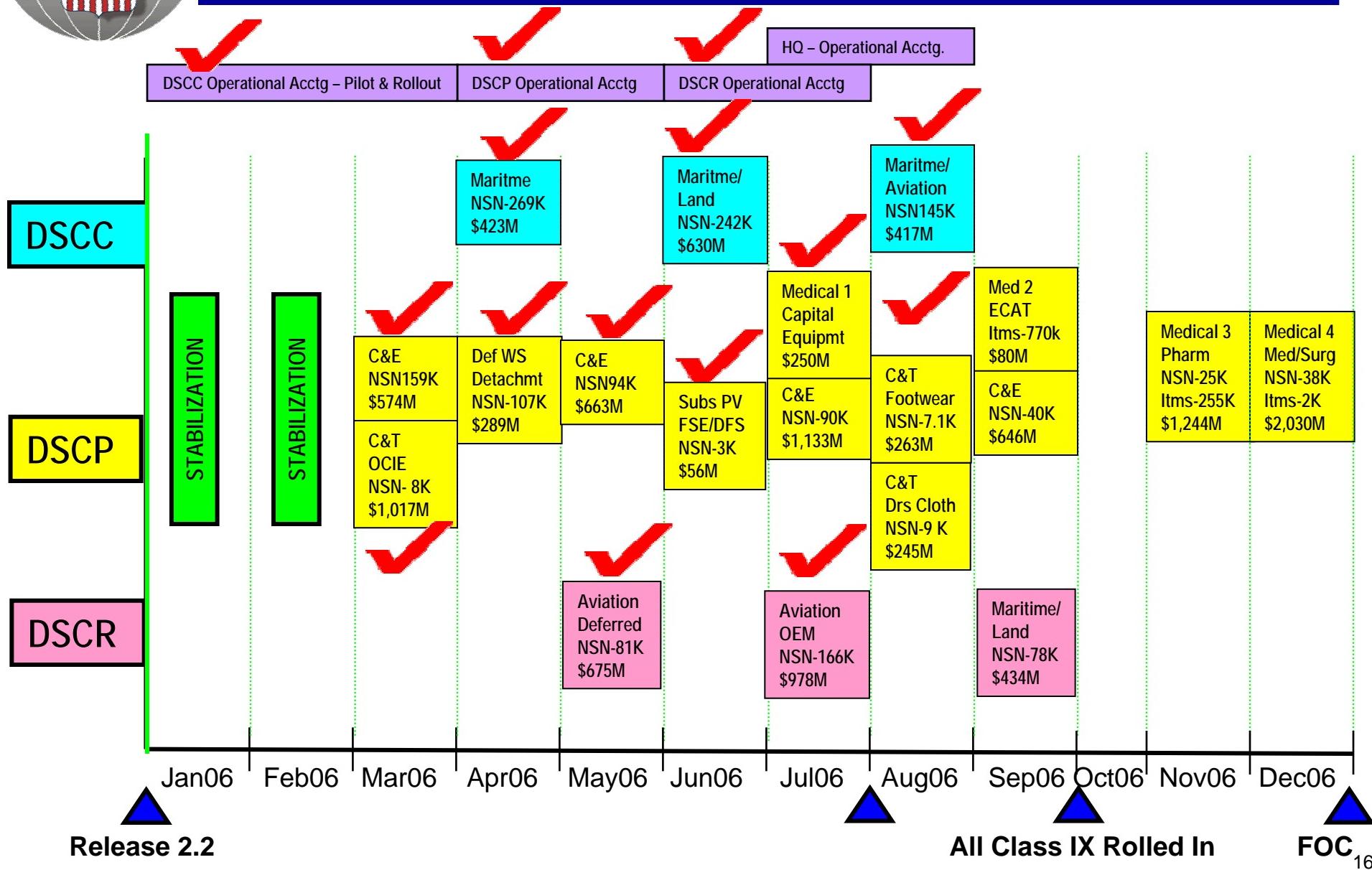
# BSM Attributes



- Characteristics
  - Real Time
  - Enterprise System – Covers all Supply Chains
  - Fully integrated across all functional process areas
  - Financially compliant
  - Integration of multiple COTS products (SAP, MANU)

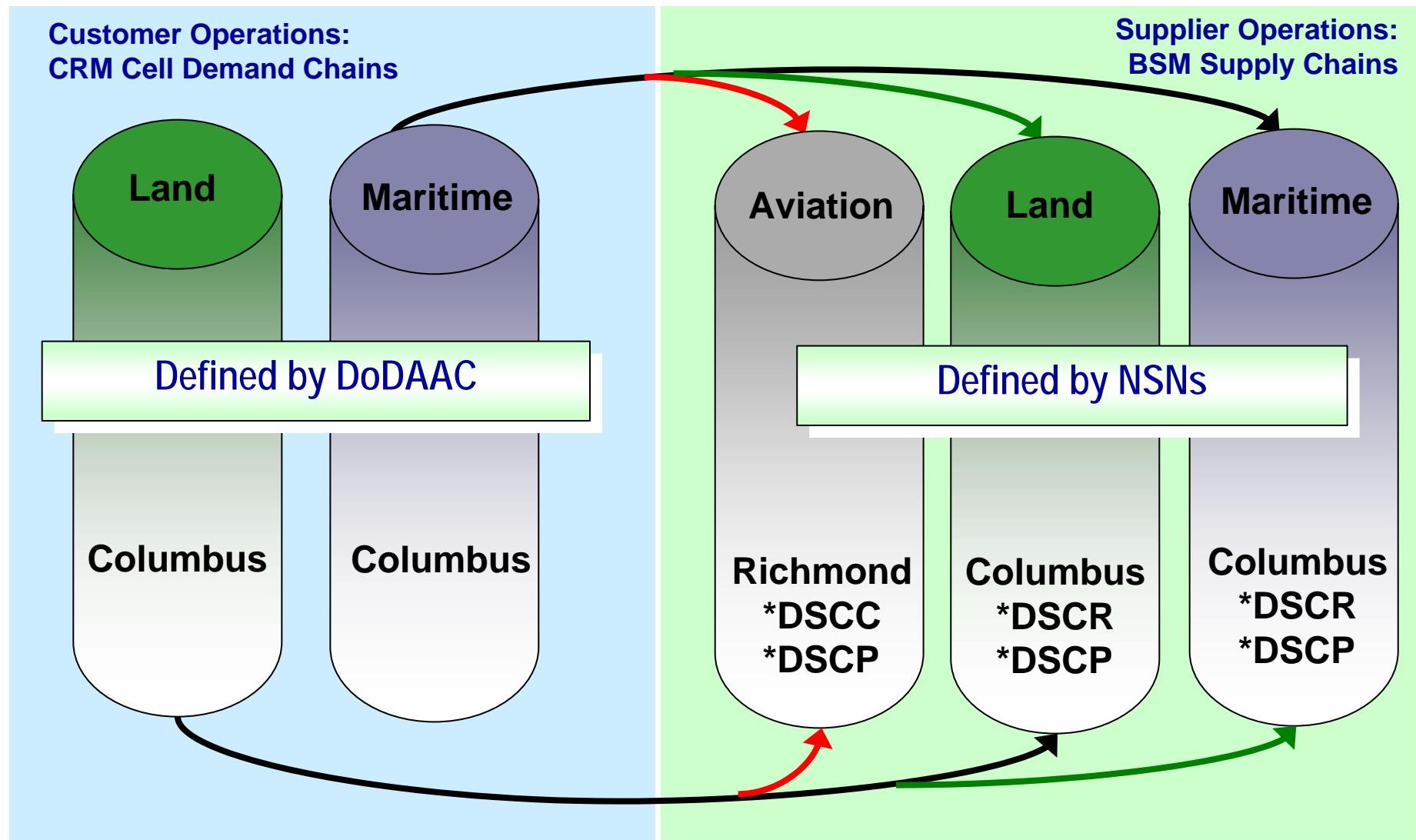


# Rollout Schedule





# Demand/Supply Chain





# DSCC Supply Chains



## Land

- Wheeled Vehicles
- Tracked Vehicles
- Batteries
- Nuts & Washers
- Converters



## Maritime

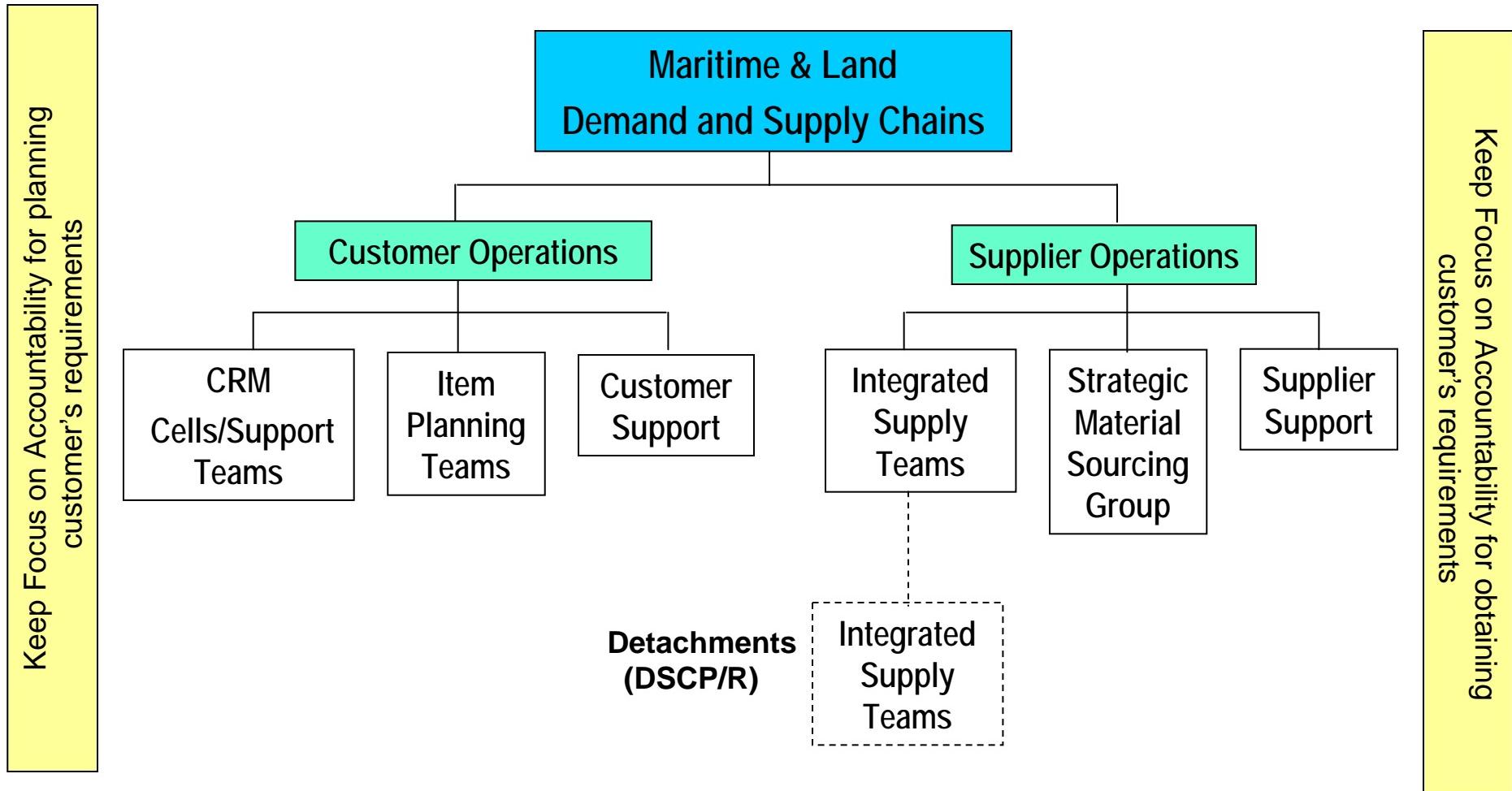


- Valves/Hardware
- Fluid Handling
- Electronics
- Bearings
- Motors
- Packing/Gaskets





# BSM Organization Model

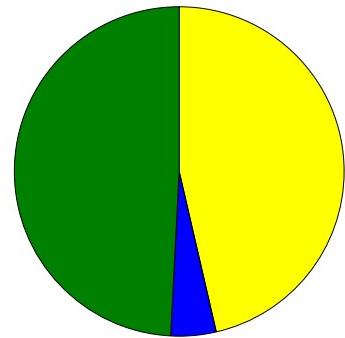




# Supply Chain NSN Distribution



Land Supply Chain (NSNs)

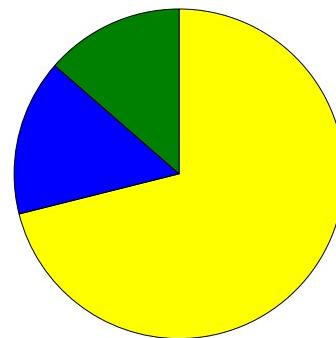


**Total = 364,861**

**Columbus = 166,809**  
**Richmond = 14,608**  
**Philadelphia = 183,444**

**Note:** Land Items Dominated by Col and Philly

Maritime Supply Chain (NSNs)

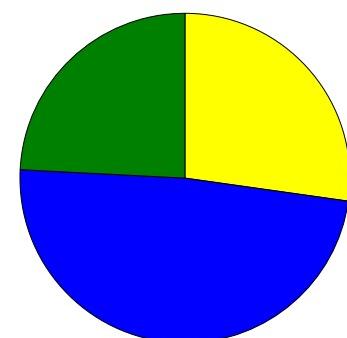


**Total = 1,668,043**

**Columbus = 1,185,830**  
**Richmond = 255,068**  
**Philadelphia = 227,145**

**Note:** Columbus Items Heavily Influenced by Electronics

Aviation Supply Chain (NSNs)



**Total = 1,230,587**

**Columbus = 328,420**  
**Richmond = 600,981**  
**Philadelphia = 301,186**

**Note:** Heavy Aviation Presence at All Three Locations

Columbus

Richmond

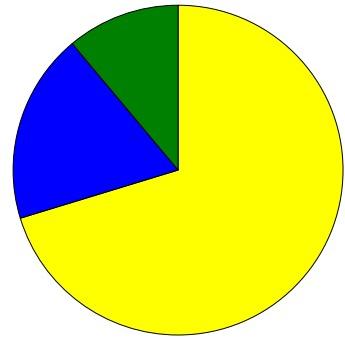
Philadelphia



# Supply Chain Annual Demand Value Distribution



Land Supply Chain (ADV)



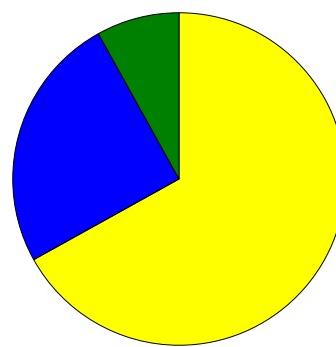
**Total = \$1,491M**

**Columbus = \$1,196M**

**Richmond = \$186M**

**Philadelphia = \$108M**

Maritime Supply Chain (ADV)



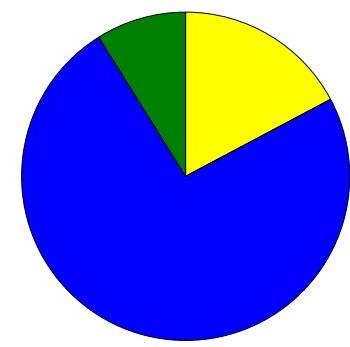
**Total = \$1,223M**

**Columbus = \$806M**

**Richmond = \$324M**

**Philadelphia = \$94M**

Aviation Supply Chain (ADV)



**Total = \$2,845M**

**Columbus = \$423M**

**Richmond = \$1,814M**

**Philadelphia = \$608M**

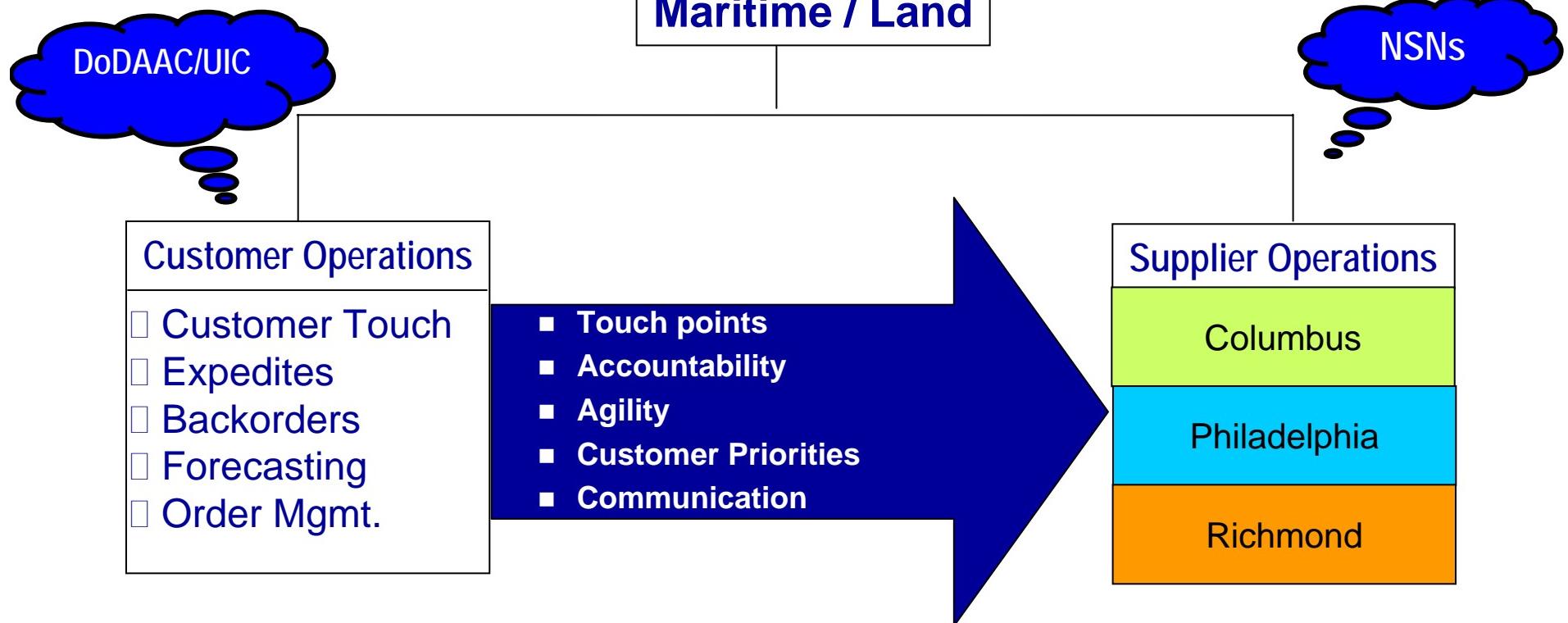
Columbus

Richmond

Philadelphia



# BSM Organization



**Learning/Growing With New Structure**

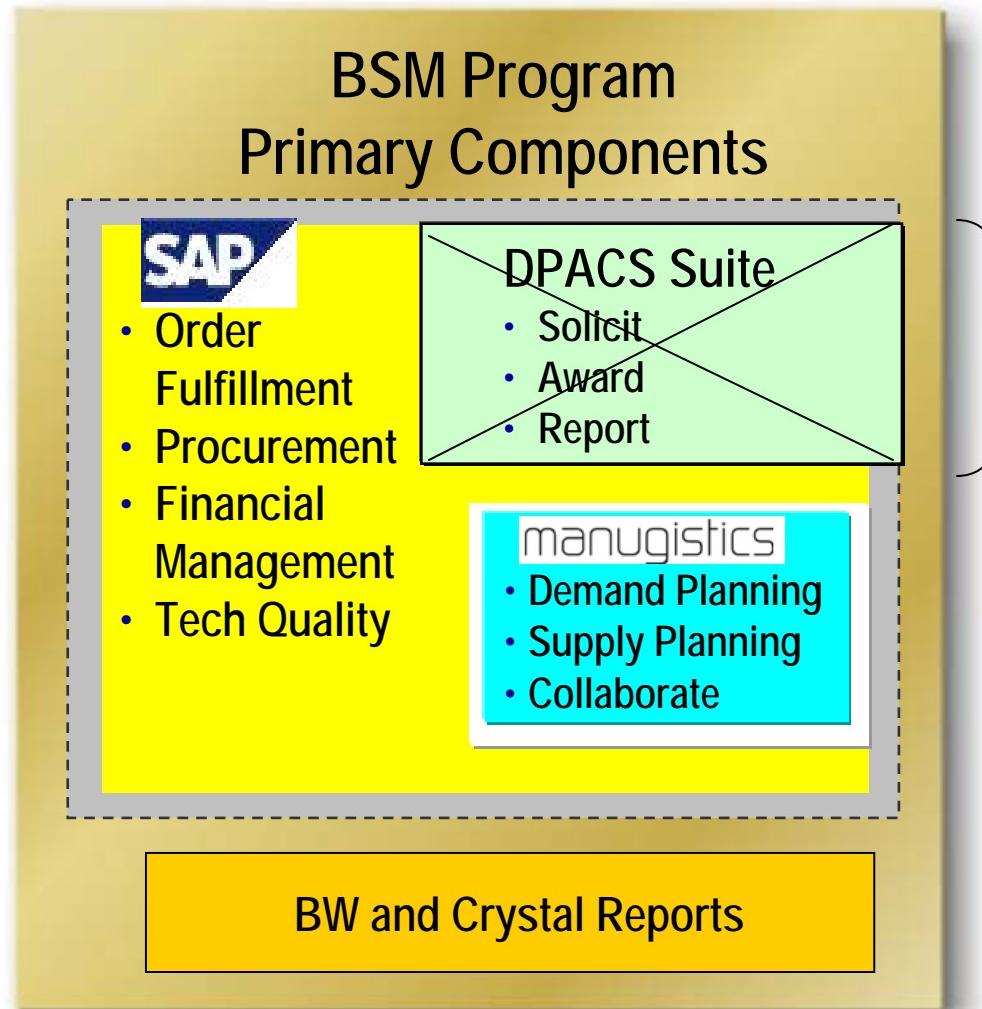


# “Tomorrow”

## Land & Maritime Post - 2007



# BSM IT Components





# Supply Chain NSN Distribution



Land Supply Chain (NSNs)	Maritime Supply Chain (NSNs)	Aviation Supply Chain (NSNs)
<b>Total: 361,325 (Pre-BRAC)</b>  <b>Total: 365,061 (DLR's - 3,736) (Post-BRAC)</b>	<b>Total: 1,652,751 (Pre-BRAC)</b>  <b>Total: 1,661,194 (DLR's - 8,443) (Post-BRAC)</b>	<b>Total: 1,220,458 (Pre-BRAC)</b>  <b>Total: 1,247,711 (DLR's - 27,253) (Post-BRAC)</b>



# Supply Chain Annual Demand Value Distribution



Land Supply Chain (ADV)	Maritime Supply Chain (ADV)	Aviation Supply Chain (ADV)
<b>Total = \$1,017M (Pre-BRAC)</b>	<b>Total = \$1,323M (Pre-BRAC)</b>	<b>Total = \$2.648M (Pre-BRAC)</b>
<b>Total = \$3.4B (DLRs - \$3.425B) (Post-BRAC)</b>	<b>Total = \$2.1B (DLRs - \$.679B) (Post-BRAC)</b>	<b>Total = \$13.3B (DLRs - \$13.269B) (Post-BRAC)</b>

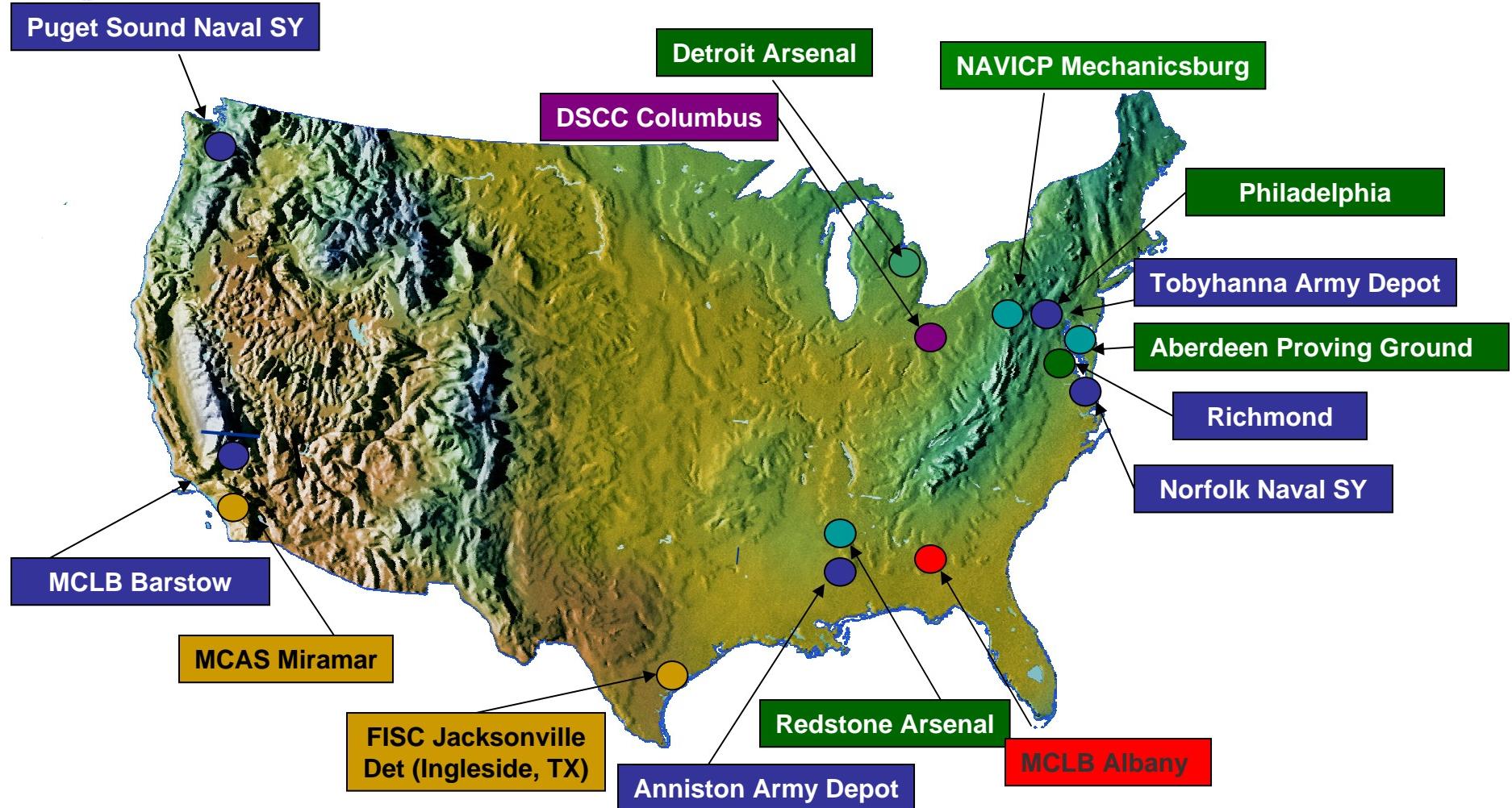


# BRAC 05

# Implementation



# Future DoD Enterprise Responsibilities (DLRs/NIMS/Supply, Storage, Distribution)



● DLR Sites

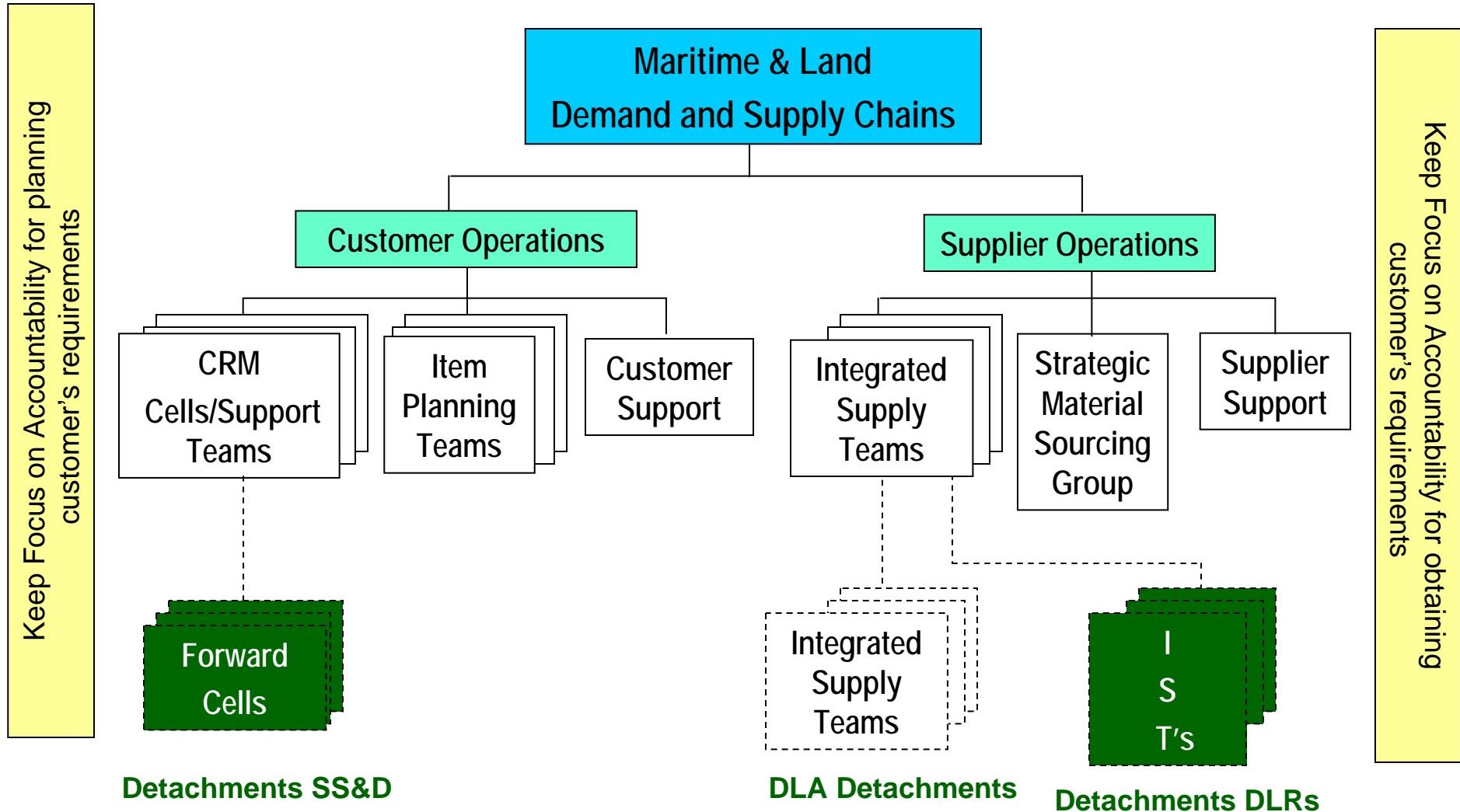
● SS&D Sites

● DLR & SS&D Site

● NIMS Lead Sites



# BSM Organization Model





# L&M Personnel



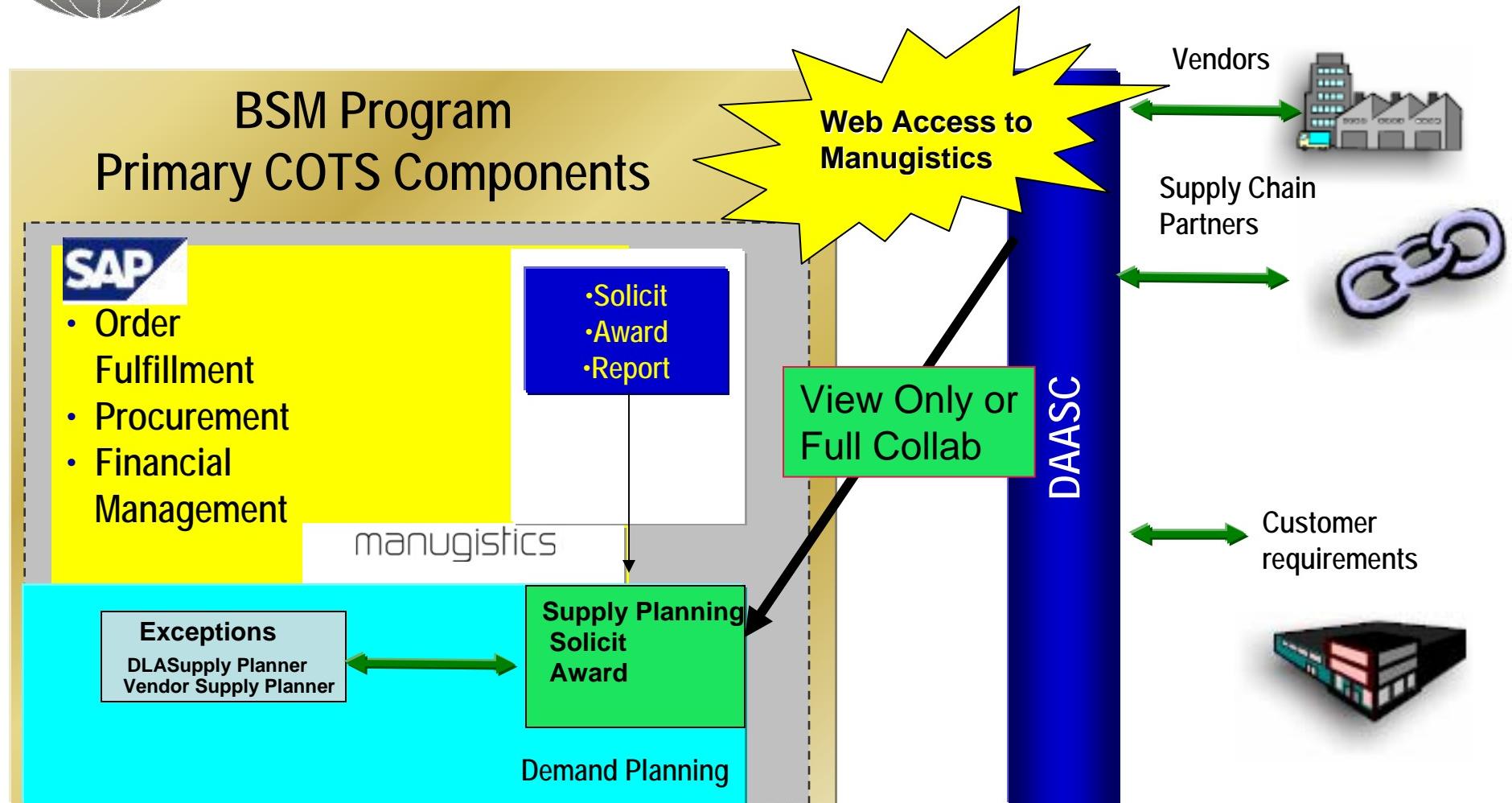
• Land Demand Chain	151	
• Land Supply Chain	482	
• Maritime Demand Chain	101	287
• Maritime Supply Chain	973	
• Process Management	690	
	<hr/> <hr/>	<hr/> <hr/>
	2397	2684

\* Columbus Aviation Detachment: 220



# Supplier Collaboration

## Sole Source or Long Term Contract Items



**Sole Source & Long Term Contracts**



# Summary



# Yesterday...Today... Tomorrow



Yesterday	Today	Tomorrow
<ul style="list-style-type: none"><li>• Lead Centers</li></ul>	<ul style="list-style-type: none"><li>• Demand/Supply Chain</li></ul>	<ul style="list-style-type: none"><li>• Demand/Supply Chain</li></ul>
<ul style="list-style-type: none"><li>• Land/Maritime/ Aerospace/ Commodities</li></ul>	<ul style="list-style-type: none"><li>• Land &amp; Maritime plus DLA Detachments</li></ul>	<ul style="list-style-type: none"><li>• Land &amp; Maritime plus DLA Dets plus Service, Dets</li></ul>
<ul style="list-style-type: none"><li>• Physical Site</li></ul>	<ul style="list-style-type: none"><li>• DLA Enterprise</li></ul>	<ul style="list-style-type: none"><li>• DoD Enterprise</li></ul>
<ul style="list-style-type: none"><li>• Single Point Accountability</li></ul>	<ul style="list-style-type: none"><li>• Customer Facing</li></ul>	<ul style="list-style-type: none"><li>• Customer Facing/ Supplier Facing</li></ul>
<ul style="list-style-type: none"><li>• COBOL/BATCH/ SAMMS/DPACs</li></ul>	<ul style="list-style-type: none"><li>• SAP/MANU/ DPACs</li></ul>	<ul style="list-style-type: none"><li>• SAP/MANU/E- Procurement</li></ul>



# Yesterday...Today... Tomorrow



## Yesterday

## Today

## Tomorrow

<ul style="list-style-type: none"><li>• Non-Critical Consumables</li></ul>	<ul style="list-style-type: none"><li>• All Consumables</li></ul>	<ul style="list-style-type: none"><li>• Consumables &amp; DLRs</li></ul>
<ul style="list-style-type: none"><li>• Single Item Contracts</li></ul>	<ul style="list-style-type: none"><li>• LTCs/Corporate Contracts/SSA's/ SCAs/PVs</li></ul>	<ul style="list-style-type: none"><li>• PBLs/TVR, VMI, SSA's / SCAs</li></ul>
<ul style="list-style-type: none"><li>• GWOT Funding</li></ul>	<ul style="list-style-type: none"><li>• Budget/Supplemental/"Bridge" Supplemental</li></ul>	<ul style="list-style-type: none"><li>• Declining Budgets ??</li></ul>
<ul style="list-style-type: none"><li>• Wholesale</li></ul>	<ul style="list-style-type: none"><li>• Wholesale</li></ul>	<ul style="list-style-type: none"><li>• Wholesale &amp; Retail</li></ul>



# Packaging





# Packaging



- Items NOT going into stock shall be packaged in accordance with standard commercial practice as defined in ASTM D-3951 (Latest Revision is 98) Some Items Intended for packaging by ASTM D-3951\* include:
  - Items intended for immediate use
  - Items for not mission capable supply
  - Items intended for depot operational consumption



# Packaging (continued)



- Small parcel shipments (CONUS), not for stock
- Direct vendor deliveries (CONUS)



# Packaging (continued)



- Items going into the military distribution center
- MIL-STD-2073-1d requirements apply to
  - Items expected to enter the military distribution system
  - Items delivered during wartime
  - Items requiring reusable containers
  - Items intended for delivery at sea



# Levels of Protection



## • Levels of Protection

- A means of specifying the level of Military Preservation and Packing that a given item requires to ensure that it is not degraded during shipment and storage
- MIL-STD-2073-1d Levels of Preservation are designed to protect an item during shipment, handling, undetermined storage, and distribution to consignees worldwide.



# Levels of Protection (continued)



- Level A is the level of packing required for protection of material against the most severe worldwide conditions known or anticipated to be encountered during shipment, handling and storage
- Level B is the level of packing requirement for protection of material under moderate (anticipated) worldwide shipment, handling and storage



# Basic Methods of Military Preservation



- Physical protection
- Preservative coating only
- Waterproof protection
- Watervaporproof protection
- Watervaporproof protection with desiccant



# Methods



- Method 10 (Formerly Method III)
  - Physical protection
  - Protection from physical damage and mechanical malfunction
- Types of items to be preserved
  - Plastic, ceramics, glass, painted metal, finished wood products



# Methods (continued)



- Method 20 (Formerly Method I)
  - Preservative coating only (with Grease proof wrap, as required)
- Method 31(Formerly Sub-Method IC-3)
  - Waterproof bag, sealed
  - Waterproof enclosure, with preservative as required



# Methods (continued)



- Method 32 (Formerly Sub-Method IC-2)
  - Container, waterproof bag, sealed
- Method 33 (Formerly Sub-Method IC-1)
  - Greaseproof-waterproof bag, sealed
  - Waterproof or waterproof-greaseproof enclosure, with preservative as required



## Methods (continued)



- Method 41 (Formerly Sub-Method IA-8)
  - Watervaporproof bag, sealed
- Method 42 (Formerly Sub-Method IA-14)
  - Container, bag, sealed, container
- Method 43 (Formerly Sub-Method IA-16)
  - Floating watervaporproof bag, sealed
- Method 44 (Formerly Sub-Method IA-13)
  - Rigid container (other than metal)



# Methods (continued)



- Method 45 (Formerly Sub-Method IA-5)
  - Rigid metal container, sealed
- Method 51 (Formerly Sub-Method IIc)
  - Watervaporproof bag, sealed with desiccant
- Method 52 (Formerly Sub-Method II-B)
  - Container, watervaporproof bag, sealed, container
  - Watervaporproof enclosure, with desiccant with preservative as required



# Package Markings



- Identification Markings
  - NSN, cage code and part number, nomenclature, quantity and unit of issue,
- Bar Code Markings
  - NSN & serial number (unit and intermediate pack)
  - NSN, contract number and cage (& serial number) on exterior shipping containers



# Package Markings (continued)

- Address Markings
  - Uses military shipping label, transportation control number, DODAAC of ultimate consignee, and piece number must be bar coded when shipment is destined into the Defense Transportation System
- Special Markings
  - Hazardous material, expiration, inspection or pack date, arrows, fragile, special handling



# Unit & Intermediate Container Label Example



2910004567416

2910-00-456-7416

CAGE 57685 PN 341

CARBURETOR

1 EA

DAA625-03-C-1056

M41 02/05

MFD DATE 01/03

EXP DATE 01/06

SER NO 1157



1157

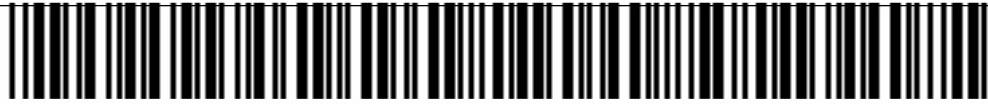
\*MFD and EXP Date for Shelf Life Items and Serial Numbers only if Applicable.



# Exterior Container Label Example



2910-00-456-7416  
CAGE 57685 PN 341  
2 EA  
DAA625-97-M-1056  
M41 02/01  
WT 14  
MFD DATE 01/03  
EXP DATE 01/06  
SER NO 1157  
1158



2910004567416



DAA62503C1056



57685



1158



# Military Shipping Label (MSL)

## Sample – CONUS Shipment



TCN		S1501A4202A453XXX	
From <b>ATGM</b> 4700 WEST 10TH ST INDIANAPOLIS IN 46222-3277		73342	TAC / Type Service / Postage <b>FRT LTL</b>
Piece <b>1 OF 1</b>	Weight (lb.) <b>1210</b>	Date Shipped <b>07/20/04</b>	Project
	Cube (ft.) <b>60</b>	RDD <b>340</b>	FMS Case
Priority <b>3</b>	MSL, Supply & TCMD Data 		
POD			
Ship To / POE	TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY BUILDING MISSION DOOR 113-143 NEW CUMBERLAND PA 17070-5001		
Ultimate Consignee / Mark For Consignee <b>W25G1U</b> 			
TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY BUILDING MISSION DOOR 113-134 NEW CUMBERLAND PA 17070-5001			

The label contains Address Markings

The 2D Bar Code contains Address Markings and Inventory Control Information  
FOB Destination TCN uses letter “X” and the five digit CAGE Code, Four Digit Julian Date, first letter  
of the company name, last three digits of Shipment Number from DD 250, Suffix Number, Partial  
Shipment Code and Split Shipment Code (Usually “XXX”)



# Special Markings



- Shelf-life
- Project Code
- Fragile/ Delicate
- Method 50
- Expedited Handling
- Hazardous Materials
- Oxygen Cleaned
- ESD





# Special Markings



- Shelf Life
  - Shown below identification data on unit, intermediate and exterior containers

## Type I (non-extendable):

**MFD DATE 10/01**

**EXP DATE 10/06**

## Type II (extendable):

**ASSEMBLED DATE 10/01**

**INSP/TEST DATE 10/04**

## Rubber or ELASTOMER (Type I or II):

**CURED DATE 4Q01**

**INSP/TEST DATE 4Q05**



# Special Markings



## Project Code



## Special Handling





# Special Markings (continued)



## Method 50





# Special Markings (continued)



## Expedited Handling



# NMCS

NSN 7540-00-139-4835  
5084-102

OPTIONAL FORM 84 (REV. 2-84)  
PREVIOUS EDITION NOT USABLE



## Special Markings (continued)



### Electrostatic Discharge (ESD) Sensitive



**Unit Pack**



**Intermediate and  
Exterior Pack**



# Special Markings (continued)



## DOT Hazardous Materials

- Proper Shipping Name
- UN Number
- Hazard Labels



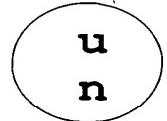


# Special Markings (continued)



## UN Performance Specification

### Example of a Single or Combination Marking:

a      b      c      d      e      f      g      h  
 4G / Y 7.4/ S /99/USA /DOD

- (a) The United Nations Symbol
- (b) Type of Packaging Code
- (c) Packing Group:

X = PG I, II and III  
Y = PG II and III  
Z = PG III Only

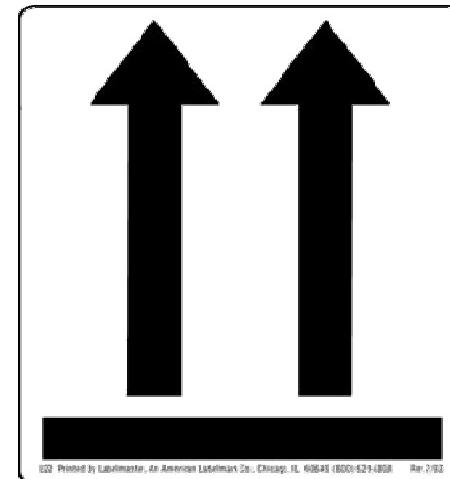
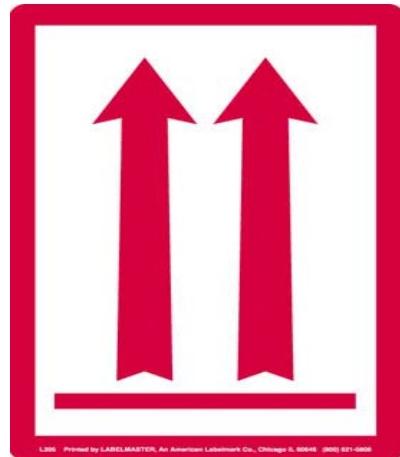
- (d) Maximum Gross Mass (In Kilograms)
- (e) Letter "S" , Solid or Inner Packagings
- (f) Year of Manufacture or assembly
- (g) State (Country) authorizing mark
- (h) Symbol of Manufacturer/Certifier



# Other Marking and Labels



## Package Orientation Marking





# Other Markings and Labels

(continued)



- Cargo Aircraft Only Label
- DD 1387-2 Special Handling Form



# DSCC Packaging Web Site



<http://www.dscc.dla.mil/Offices/Packaging>

- Please visit our booth for any additional information you may need and to get an on-line demonstration of our web site.



# Customer Pay

## A Government / Industry Partnership

Presented to the  
NDIA/DSCC Land & Maritime Symposium  
By  
Ed Peters  
President AM General Defense





HMMWV



HUMMER H1

# Products



HUMMER H2

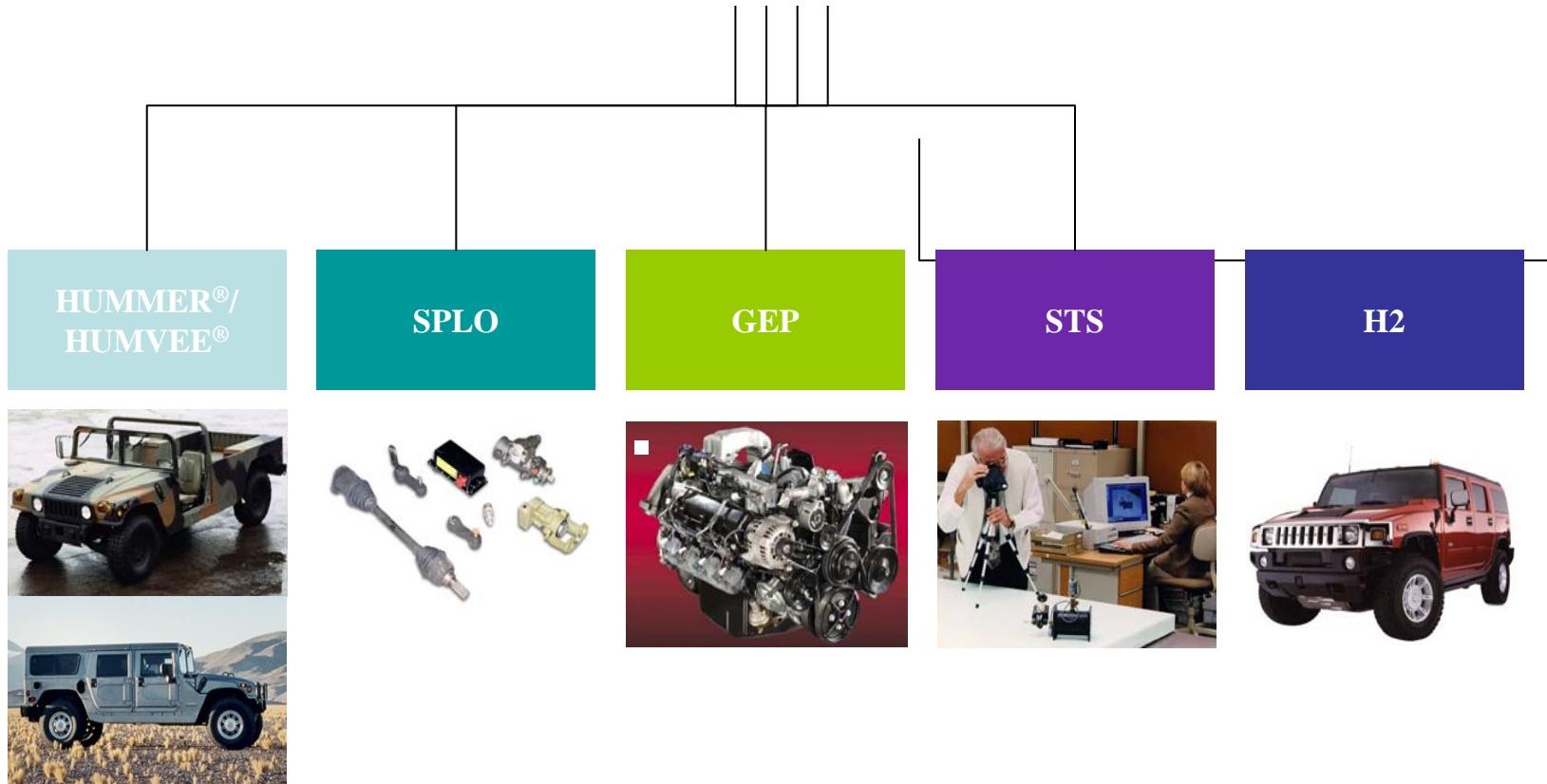


6.5 Liter



# Business Units

**AM General**  
MOBILITY SOLUTIONS FOR THE 21ST CENTURY



**AM General**  
MOBILITY SOLUTIONS FOR THE 21ST CENTURY



# Best Business Practices

- Collaborative Relationships
  - Strategic Suppliers Alliance
  - Corporate Contract
  - Long Term Contracts
  - Communications & Partnering
- E Business
  - Vendor Initiated Parts Re-supply
  - Direct Vendor Deliveries
- Alpha Contracting
- Lean Initiatives
  - Inventory Reduction
  - Reduced Lead times
- Performance Based Agreements
- Third Party Logistics



# “Customer Pay” & HMMWV RECAP

- What is Customer Pay
- Negotiations / Contract Phase
- Implementation / Operational Phase
- Lessons Learned



# Customer Pay OSD Guidance

- Mr. Wynne, Then - Under Secretary of Defense for Acquisition, Technology & Logistics
- Initial Guidance – Jan 04
- Goals:
  - Drive supply chain responsibility to vendor
  - DOD pays for materials when delivered to the end user



# The Pilot Program

- Customer Pay Concept
- Performance Based Agreement
- Use E-Commerce
  - Web Portal
- Support a Major Program
  - HMMWV RECAP
  - Two Depots Letterkenny & Red River

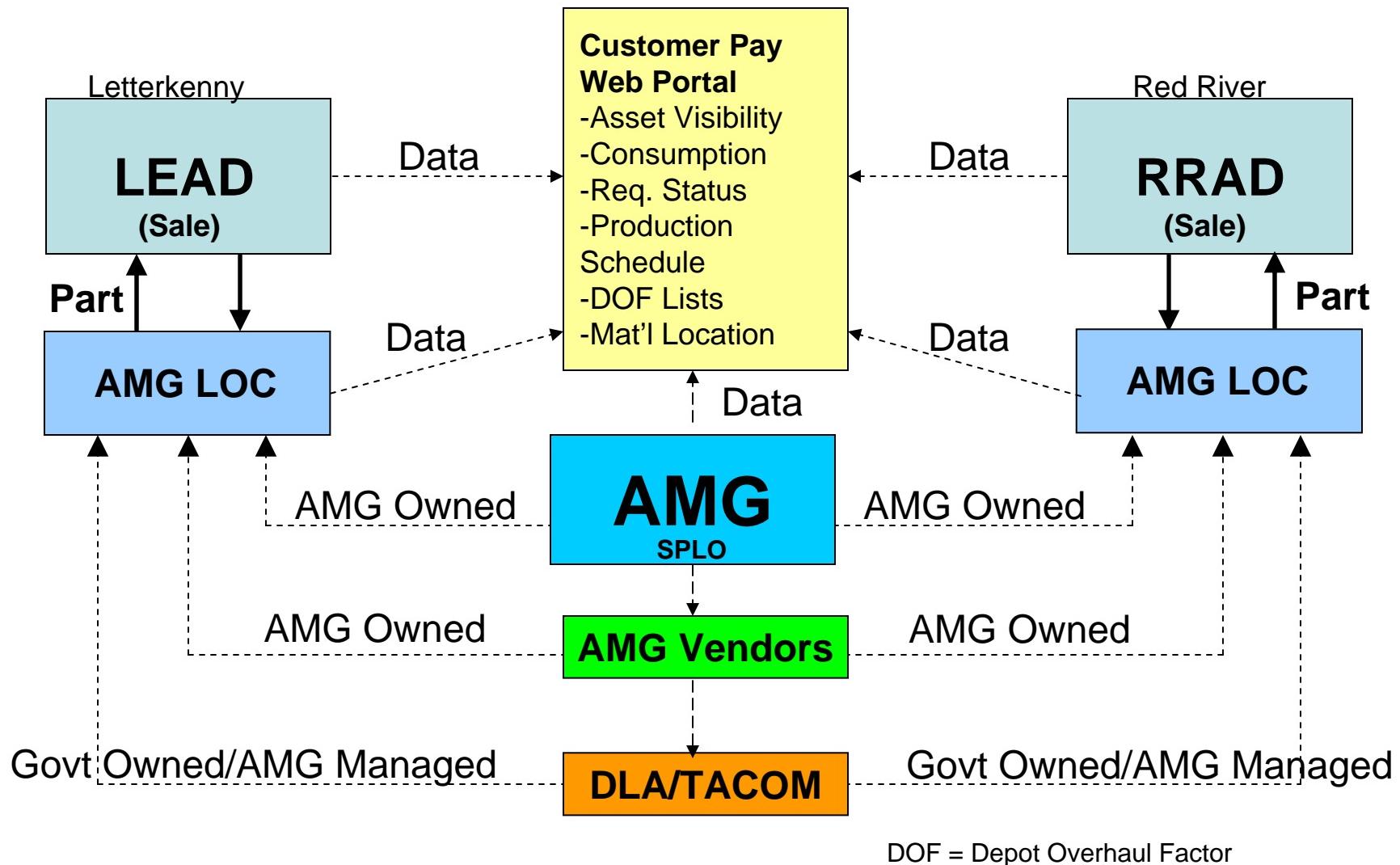


# The Concept

- Establish a Performance Based Agreement (PBA) between TACOM, DLA & AMG in Support of Depot RECAP .
- Shift Materiel Management Responsibilities to AMG for: LEAD, RRAD & MMA.
- Move Point of Sale to Point of Use.
- Alpha Contract DLA & AMG.
- Information Sharing Via Web Portal



# Depot Recap





# CUSTOMER PAY

WEB INFORMATION PORTAL


[Home](#)   [MMA](#)   [Material Mgt](#)   [Config Mgt](#)   [Documents](#)   [Tools](#)   [Profile](#)   [Help](#)   [Logoff](#)

## Supply Status Report for LEAD and RRAD

Click [here](#) to download (tab delimited format)

\*\* Stock Data is historical data provided by AMG; workstation, kitting and bin configurations are provided by each depot. \*\*

Red: 5 days or less - Amber: between 5 and 15 days - Green: 15 days plus

NSN	NOMENCLATURE	AMG P/N	UI	OWNER	SRCE	WHOLESALE	DUE IN	DOF	LEAD			RRAD			
									AMG OH vs. 30 DAY	NO. DAYS SUPPLY	STATUS	DOF	AMG OH vs. 30 DAY	NO. DAYS SUPPLY	STATUS
[click on the NSN or Status Color for details and transaction history. Javascript must be enabled to view drill-down information.]															
2510011883228	GUARD,HOOD	EC12338923-2	EA DLA	SMS			5809	0.360	257 / 116	30 +	<span style="color: green;">●</span>	0.500	84 / 200	13	<span style="color: orange;">●</span>
2510011931807	DOOR, METAL, SWING LH	12340028-1S	AY DLA	SMS				0.200	181 / 64	30 +	<span style="color: green;">●</span>	0.100	207 / 40	30 +	<span style="color: green;">●</span>
2510012481340	HOOD,ENGIN	000000000005716532	EA DLA	SMS			5481	0.250	117 / 80	30 +	<span style="color: green;">●</span>	0.300	77 / 120	19	<span style="color: green;">●</span>
2510012518548	INSULATION	000000000012339044	EA DLA	SMS				0.050	303 / 16	30 +	<span style="color: green;">●</span>	0.100	96 / 40	30 +	<span style="color: green;">●</span>
2530011856714	PISTON,DIS	000000000005578803	EA DLA	SMS				0.010	312 / 4	30 +	<span style="color: green;">●</span>	0.800	430 / 320	30 +	<span style="color: green;">●</span>
2590012484873	ARM,CONTRO	000000000012338738	EA DLA	SMS			13934	2.000	1123 / 640	30 +	<span style="color: green;">●</span>	2.000	314 / 800	12	<span style="color: orange;">●</span>
2530013338263	CALIPER AS	000000000012342342	AY DLA	SMS			209	1.000	1672 / 320	30 +	<span style="color: green;">●</span>	1.000	1525 / 400	30 +	<span style="color: green;">●</span>
2530013946168	PARTS KIT,	57K0275	EA DLA	SMS				0.030	94 / 10	30 +	<span style="color: green;">●</span>	0.300	427 / 120	30 +	<span style="color: green;">●</span>
2540011766521	GUARD,SPLA	000000000012446953	EA DLA	SMS			75	0.340	201 / 109	30 +	<span style="color: green;">●</span>	1.000	298 / 400	22	<span style="color: green;">●</span>
2540011924500	RETAINER,A	12338849G1	EA DLA	SMS			368	0.200	172 / 64	30 +	<span style="color: green;">●</span>	0.400	496 / 160	30 +	<span style="color: green;">●</span>
2540011975448	SUPPORT,SE	12339026G1	EA DLA	SMS			3666	0.800	392 / 256	30 +	<span style="color: green;">●</span>	0.900	164 / 360	14	<span style="color: orange;">●</span>
2540012141568	PIVOT SHAF	000000000012338831	EA DLA	SMS				1.000	671 / 320	30 +	<span style="color: green;">●</span>	0.900	102 / 360	9	<span style="color: orange;">●</span>
2540013142101	ARM,REARVI	000000000012342138	EA DLA	SMS				0.010	76 / 4	30 +	<span style="color: green;">●</span>	0.001	375 / 1	30 +	<span style="color: green;">●</span>
2590012612637	MOLDING,ME	EC12338907	EA DLA	SMS			8098	0.560	440 / 180	30 +	<span style="color: green;">●</span>	0.500	119 / 200	18	<span style="color: green;">●</span>
2590012633254	BEZEL,AUTO	12338838-2G1	EA DLA	SMS			7733	1.000	141 / 320	13	<span style="color: orange;">●</span>	1.000	7 / 400	1	<span style="color: red;">●</span>



# Material Management



- 1,120 Parts
  - Sourced to Team Member
- Use Multiple Sources as Backup
- AM General Manages and Accounts for all Material



# Performance Base

- Forecast Parts Requirements
  - Predictable & Non Predictable
- Deliver Parts Directly to Assembly Line
- No Stock Outs, 100% Stock Availability
- No “G” Coded Vehicles
- Point of Use = Point of Sale
- Cheaper Than Current Process
  - What is the Baseline?
- Small Business Goals



# Outside of the Box

- Teaming With Government Agency (Collaborative Partnering)
- Alpha Negotiation
- Web Portal
  - Systems Integration
  - Asset Visibility
- Managing Commercial and Government Supply Chains
- Receive, Store, Account for Government & Commercial Owned Material Within the Same Facility
- New Billing Process – Point of Use = Point of Sale
- Deliver Parts Directly to Production Line
- Compressed Time Frame



# Risk Assessment

- Management of Government Owned Material
- Cash Flow Constraints.
  - Normal sales FOB origin. Customer Pay FOB Destination.
  - Huge Additional Inventory Investment.
- AMG Does Not Increase Market Share.
- Operate Two Remote Locations. (HR, IT, Facilities, 3<sup>rd</sup> PL).
- Systems Integration
  - Web Portal
  - Complexity of Managing GFM
- New Contracting Instrument, Performance Based Logistics, PBA.
- AMG Does Not Control the Entire Supply Chain or the Assembly Line Operation.
- AMG is focal point if program fails.
  - 100% stock availability
    - Predictable & Unpredictable Parts Demands
  - Lower Costs



# Executive Assessment

- AM General is Responsible for Insuring 100% Stock Availability
- Four Key Elements to a Successful Program
  - Responsiveness of DLA's Supply Chain
  - Responsiveness of TACOM's Web Portal & Supply Chain
  - Accuracy of the Depot's Schedule and Forecasting Data
  - AM General's Supply Chain Management Skills
- AM General only Controls One of These Elements





# CEO's Guidance

- Build a Business Case
- Optimum Situation AMG Source All Parts
  - No Dependence on Other Sources
- AM General Does Not Take Title of TACOM and DLA Material
- Clarify the Concept for Handling Government Inventory
- Clearly Define AMG and DLA Responsibilities
- Continue Discussions to Build the Business Case



# Key Negotiating Points

- Delivery & Acceptance
  - When Title Transfers to the Government
- Forecasting Responsibilities
  - Not Held Responsible for Elements Beyond Control
  - Start Up Data and Running Changes to Build Schedule
- Buyback Clause
  - Government Caused Excess Inventory, Responsibilities & Limitations
- Start Date - 15 Weeks from Date of Signing Contract
- Clearly Defined and Articulated Responsibilities
- Performance Metrics
  - Need to Develop or Qualify Baselines and Metrics.
- Incentives
  - Ensure a Minimum or Base Profit



# Partnering Why It Worked



- Open Communications
  - Trust
    - DLA
      - Strategic Supplier Alliance
      - Line of Balance
      - Corporate Contract
    - TACOM
      - VIPR
      - Top 20
  - Accurate Information
  - Answering Requests in a Timely Manner
- Common Goals



# Challenges

- 53 Work Days
  - Build Customer Pay Team
  - Integrate Systems TACOM, DLA, AMG
  - Find and Lease
    - Two Warehouses in two remote locations
    - Equipment
  - Develop Processes and Procedures
  - Hire and Train Workforce
  - Source, Schedule and Receive Parts
  - Deliver Parts to the Assembly Line





# Implementation Phase – 53



- Build Customer Pay Team
- 3<sup>rd</sup> Party
  - Set up LOCs
  - Hire & Train Touch Labor
- Holiday Season
  - Not all external players understood the urgency of the program
  - LOC receiving parts up to 2AM on kickoff day 17 Jan 06
- Complexity of Systems Integration
  - Time did not allow for all processes to be developed, debugged and tested before implementation
  - no reject codes, could not identify why data was rejecting
- Rescheduled Launch by Two Weeks



# Implementation Challenges !



- Technical Data Issues
  - 130 instances - AMG part numbers did not cross to Government required NSN's
  - 109 instances - AMG unit of issue did not match NSN's
- Parts Could Come From Any Source AMG, DLA, TACOM, Depots – “just keep the line running”
- Accuracy of Initial Forecast Data
- Early in the Program the Depots Exceeded Forecasted Production Rates
- New SAP Procedures / Three Weeks to Train AMG and Subcontractors



# Mission Accomplished

- Drive Supply Chain Responsibility to Vendor
  - AM General Managing Complex Supply Chain
- DOD Pays for Materials When Delivered to the End User
  - HMMWV RECAP Program
    - » Point of Use = Point of Sale



# Successes



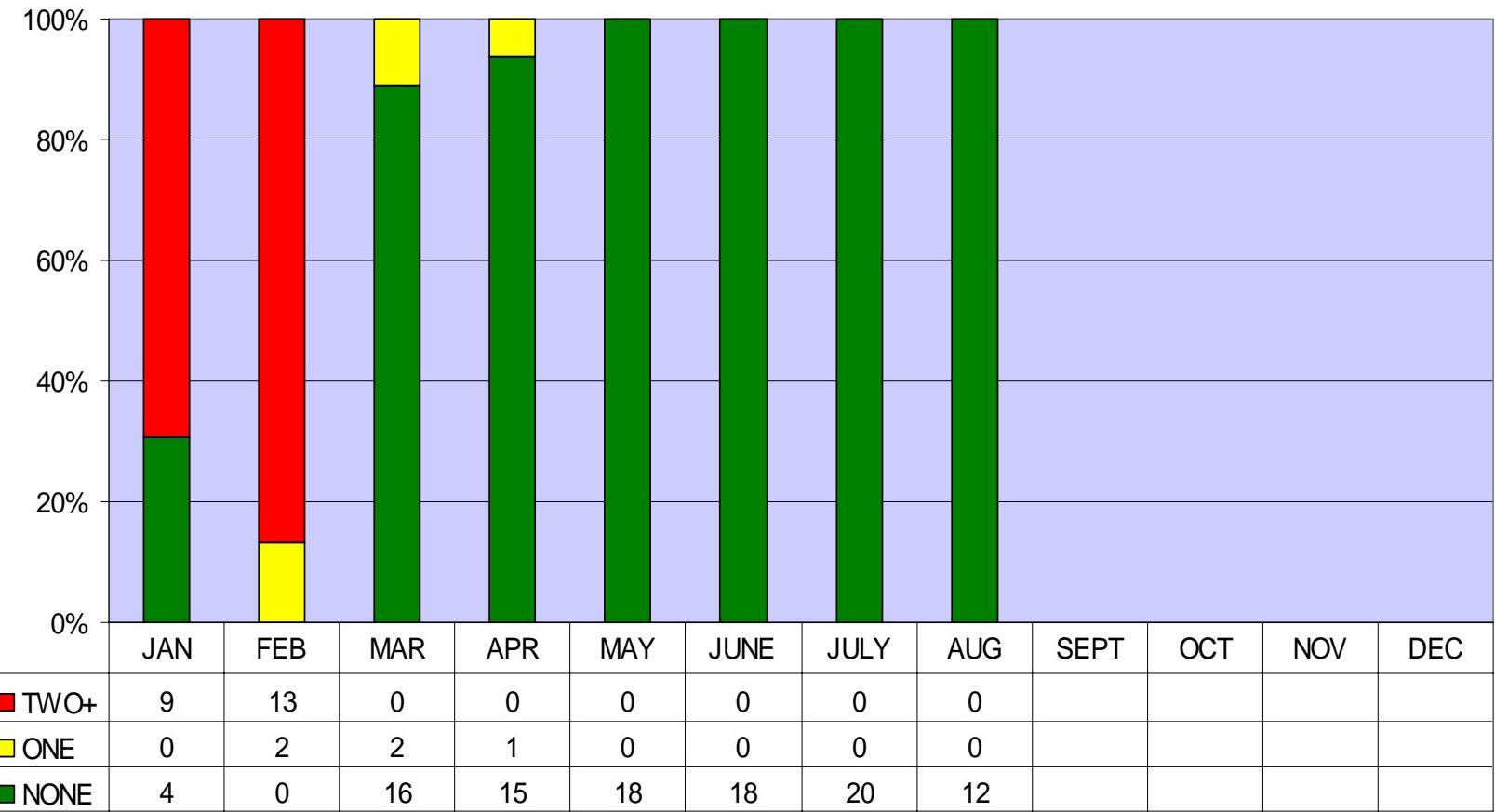
- CP Production – Feb. - July
  - RRAD 1960 Vehicles
  - LEAD 1880 Vehicles
  - MMA 75 Vehicles
- No Stock-outs
  - 111 Production Days at LEAD
  - 75 Production Days at RRAD
- Significant Inventory Reduction
- Systems Integration



# 75 Days No Stock Out RRAD



RRAD C/P RECAP  
PART SHORT REPORT

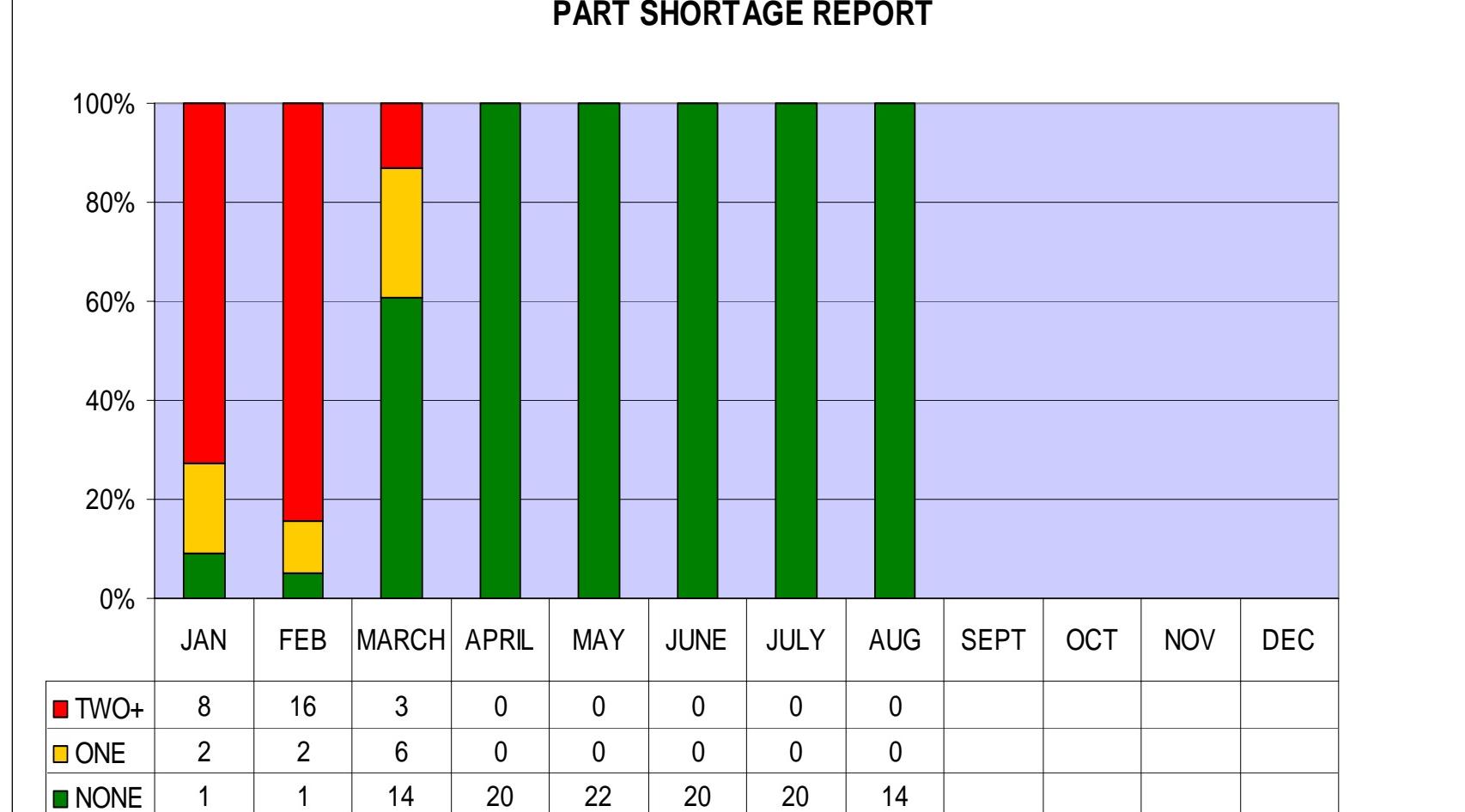




# 111 Days No Stock Outs - LEAD



## LEAD CP/RECAP PART SHORTAGE REPORT





# Successes



- Maine Military Authority – Stock to Dock
  - 25 Truck a Month
- Just in Time Delivery
  - SAP Forecasting Data
  - Kanban type delivery
  - Continuously reducing stock levels
- 4,00,00,000 Parts Delivered



# Lessons learned

- Overly Optimistic Launch Schedule
- Program Implementers Should Take Part in the Negotiations
  - Bring Ops People Together Early
  - Understand / Adapt to Changes and Fluid Production Schedules
- Don't Under Estimate Systems Integration
  - Technical Data



# The Team

- TACOM
- DCSS
  - DLA Supply Depots
- Letterkenny Army Depot
- Red River Army Depot
- Maine Military Authority
- Am General
  - WW Williams





# WHY

- Our truck, Our name, Our reputation.
- Customer Support
  - Our 2 Primary Customers Asked Us to Get Involved.





# Procurement Systems and Supplier Interfaces



# Agenda



- Business Systems Modernization (BSM) Overview:  
Julie Van Schaik & Mike Corelis (booth 715)
- DLA Internet Bid Board System (DIBBS):  
Alan Searfoss & Patrice Francis (booth 715)
- Automated Indefinite Delivery Orders (AIDPO):  
Tammy Solt & Doug Griffith (booth 715)
- Project Data Management Initiative (PDMI):  
Dan Nettler
- Automated Best Value System (ABVS):  
Pat McCreay (booth 706)



# Business Systems Modernization

Julie Van Schaik / Mike Corelis  
DSCC Systems and Procedures Division



# Transformation & Expansion Business Systems Modernization



## The Vision

Enhance DLA and Supplier interaction based on the specific needs of a relationship in order to allocate time and resource more efficiently to best support the warfighter.



# BSM IT Components



## BSM Program Primary Components



- Order Fulfillment
- Procurement
- Financial Management
- Tech Quality

### DPACS Suite

- Solicit
- Award
- Report

### manugistics

- Demand Planning
- Supply Planning
- Collaborate

BW and Crystal Reports



# Organizing by Demand and Supply Chains



**Demand Chains** -  
grouping of  
customers that are  
managed by  
Customer Operations

"Each Customer is  
aligned to one and only  
one demand chain"

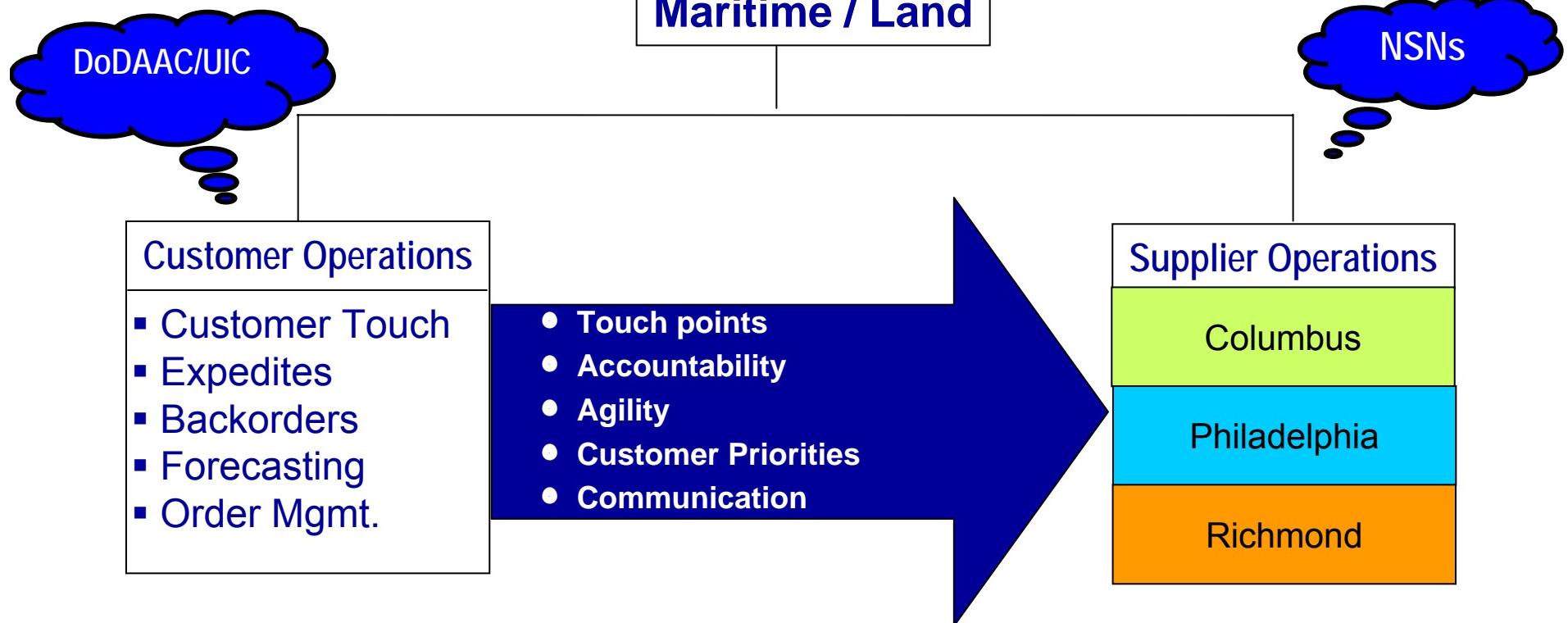
**Aviation**  
**Land**  
**Maritime**  
**Construction**  
**and Equipment (C&E)**  
**Clothing and**  
**Textiles (C&T)**  
**Medical**  
**Subsistence**

**Supply Chains** -  
grouping of  
items/suppliers that  
are managed by  
Supplier Operations

"Each item is aligned with  
one and only one supply  
chain"



# BSM Organization

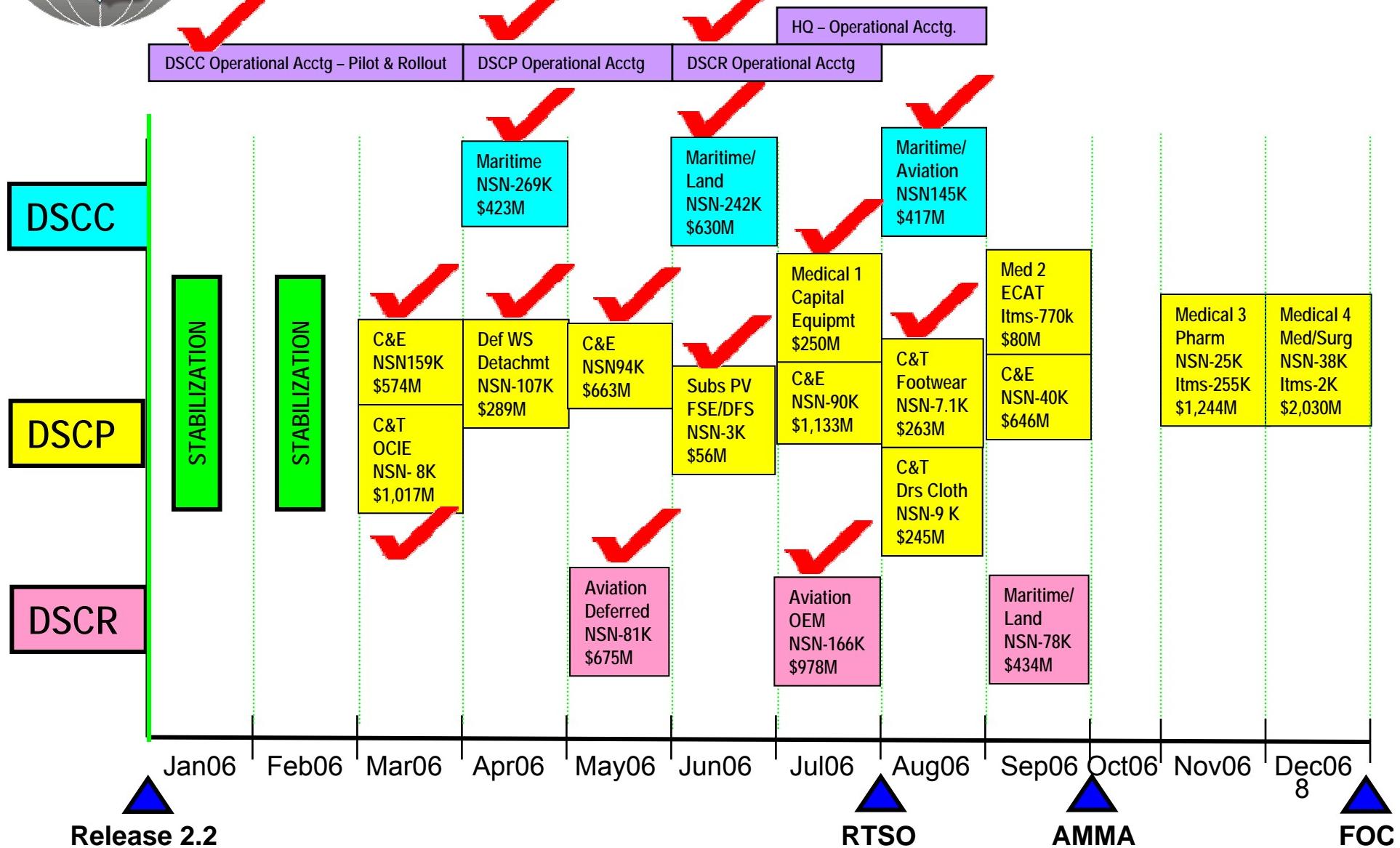


**Learning/Growing With New Structure**



# Rollout Schedule

## From Jan 06 – Dec 06





# BSM Rollout Impact on Solicitations



- Items experience “PR Brownout” associated with a BSM rollout
- This brownout was projected to be approx. 45 days
  - ~15 days in legacy (longer if older PRs are canceled)
  - ~2-3 weeks to generate first cycle of PRs in BSM
- The brown out impacts performance metrics a lead-time out:
  - Materiel availability (MA) drops by 2%
  - Backorder levels increase by 50K+ (All Rollouts)



# Where to get Information



- DLA BSM Website:
  - [www.dla.mil/j-6/bsm](http://www.dla.mil/j-6/bsm)
- BSM Supplier Information Resource Center
  - [www.dla.mil/j-6/bsm/sirc](http://www.dla.mil/j-6/bsm/sirc)



# DLA Internet Bid Board System

**Alan Searfoss / Patrice Francis**  
**DSCC Systems and Procedures Division**



# Selling to DLA under BSM



- All DLA Solicitations will be available on one web site by Sep '06:
  - DLA BSM DIBBS: <https://www.dibbs.bsm.dla.mil/>
- Already issued, non-BSM opportunities:
  - DSCP and DSCR: PROCUREMENT GATEWAY  
<http://progate.daps.dla.mil/home/>
  - DSCC: ORIGINAL VERSION OF DIBBS  
<http://dibbs.dscc.dla.mil/>



# DLA BSM DIBBS



- View and submit quotes
- View RFPs – Includes Long Term Contracts & EMall Opportunities
- Access award information
- View provisions, clauses & packaging specs
- View Technical Data
- Access the Automated Best Value System (ABVS) (Performance Scores used in award decisions)

Note: Acquisition Forecasts are not available in BSM DIBBS



# DLA BSM DIBBS



# DEMO



# Automated Indefinite Delivery Orders

**Tammy Solt / Doug Griffith**  
**DSCC Systems and Procedures Division**



# BSM AutoIDPO



- Indefinite Quantity contract using Simplified Acquisition Procedures
- \$100,000 limit
- Potential 2 year contract
- 1<sup>st</sup> DO anticipated 90 days after issuance of AutoIDPO Solicitation
- 1<sup>st</sup> DO automatically meets the min. obligation
- Master Solicitation: <http://www.dla.mil/j-3/j-336/DLA/>
  - **PART II –Indefinite Delivery Purchase Order (IDPO)**  
**Contract:** Applies where “U” solicitation and resulting award does not specify a firm quantity of supplies (other than a minimum quantity) and provides for the issuance of delivery orders during the period of the contract. Coverage is for DLA orders for stock replenishment.



## Quote / Evaluation

- AIDPO will be solicited on DIBBS for 21 days
- 90 quote validity period
- Closing time = 2pm EST
- Zone Pricing (2 Zones)
- Quantity Variance allowed
- Government Ranges required
- Alternate Ranges may be submitted for Government's consideration



# Award



- Once an open Purchase Request for the NSN comes into the system, the AIDPO will be awarded
- The automated IDPO agreement will be issued with a “D” in the ninth position, a “5” or “6” or “7” in the tenth position, and an alpha in the eleventh position of the PIIN number
- The Basic and 1<sup>st</sup> DO will be posted to DIBBS simultaneously



## AIDPOs on DIBBS



- <https://www.dibbs.bsm.dla.mil/>
- RFQ Search **I<sub>DPO</sub>**
- Example: SPM7M\*06U\*
  - SPM4 – Richmond
  - SPM5 – Philly
  - SPM7 – Columbus
- Quote **Q**
- Demonstration



# Resources



- For questions regarding the DLA-BSM Internet Bid Board System use the Feedback form on DIBBS, or send email to: [DibbsBSM@dla.mil](mailto:DibbsBSM@dla.mil)
- For all other questions (solicitation requirements, item description, award choice, etc.), please contact the buyer
- Websites:
  - DLA BSM DIBBS: <https://www.dibbs.bsm.dla.mil/>
  - Master Solicitation: <http://www.dla.mil/j-3/j-336/DLA/>

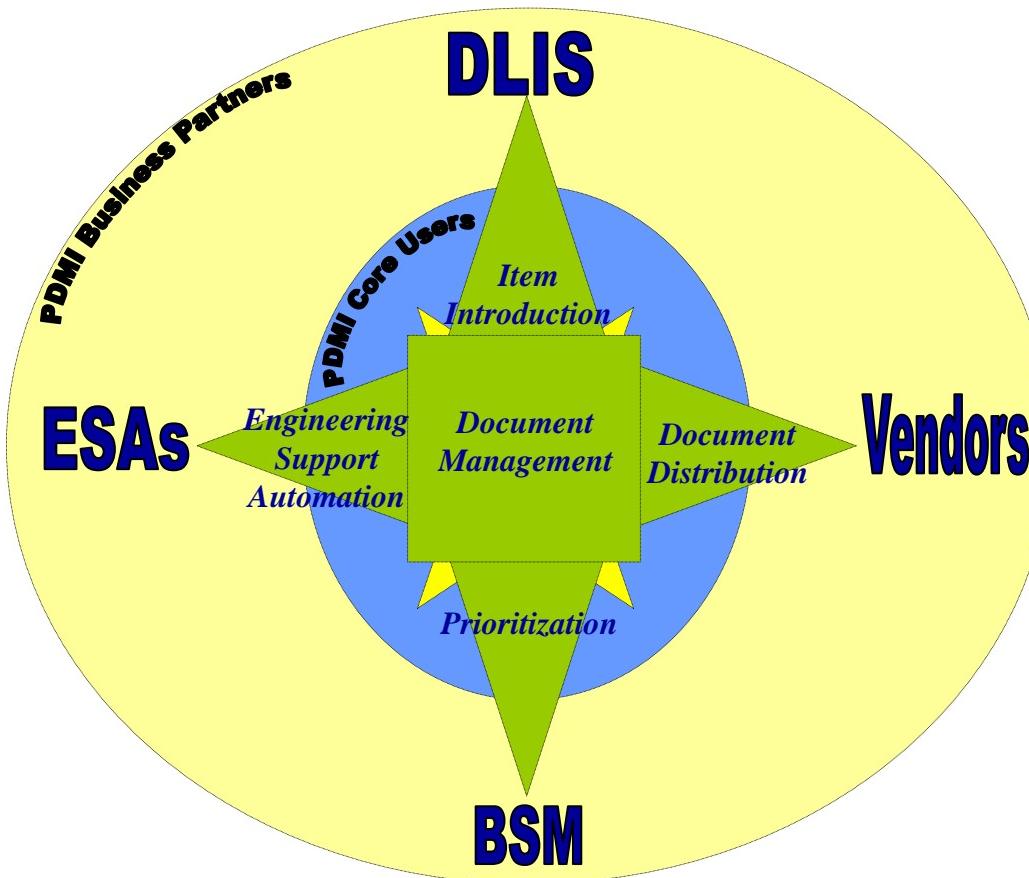


# Project Data Management Initiative

Dan Nettler  
**Chief, DSAC Technical Management Unit**



# PDMI Capabilities



## Engineering Support Automation

The capability to request, receive and act upon external engineering analysis

## Document Management:

The capability to manage technical documentation and relationships between documents and materials

## Item Introduction:

The capability to maintain accurate item defining data through the SSR and LR processes

## Prioritization:

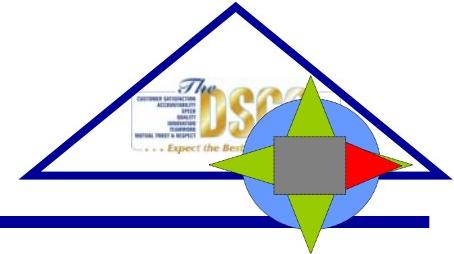
Optimal allocation of resources in support of overall Agency priorities

## Document Distribution:

The capability to allow partners access to appropriate item defining documentation



# Document Distribution



- PDMI provides the capability to allow Vendors to access appropriate item defining documentation
- Collaboration Folders (cFolders) will be created for each solicitation that requires a tech data package
- Vendors will be able to query cFolders for solicitations based on NSN number, Solicitation number, PR number, and Document number, in addition to other search criteria



# Registering for Access

- Vendors currently register on DIBBS to enter quotes on solicitations.
- With PDMI, Vendors not currently registered will register on DIBBS for cFolders accounts.
- All users will have access to Distribution A data upon account creation in DIBBS and cFolders
- Vendors can request access to restricted data by downloading the appropriate form from cFolders and faxing to a DLA Point of Contact (POC)



# Using cFolders



- Vendors will access cFolders via a link from DIBBS or directly from the cFolders website
- Vendors can view and download information (product data, blueprints, technical drawings and other supporting information) for solicitations.
- Access to viewing and downloading files will be restricted based on the user's authorization and the information contained in the records



# cFolders Reporting



- cFolders will provide a report for OEM's that will list users that viewed their documents and the documents they viewed
- The report will be restricted to certain users and the search criteria will be limited to what OEM is viewing the report (an OEM cannot view a report for another OEM)
- The report will be available on cFolders and can be run on demand



# cFolders: Retirement



- A cFolder will remain active for the awardee for 30 days after the award date, it will then be archived
- When a cFolder is archived, the document files will be removed and a copy of the solicitation data will be archived
  - PR number, Solicitation number, NSN number, Document number, Awardee, Close Date, Award Date



# Automated Best Value System

**Pat McCreay**

**DSCC Systems and Procedures Division**



# Agenda

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- History and explanation of ABVS
- Current status of ABVS/BSM



# ABVS Background



- ABVS began in 1995
- Definition: a computerized system which collects contractors' existing past performance data and translates it into numeric scores; contracting officers use these scores (historical performance) as an additional evaluation factor when making best value award decisions.



# ABVS Objectives



- Translate past performance (quality and delivery) into meaningful numeric scores
- Score all contractors based on past performance history
- Buyers make a comparative assessment of evaluated price, quoted delivery and past performance
- Promote Best Value Award decisions
  - Buy smarter



# General ABVS Info



- Updates occur around the 10th of the month
- Vendor views his own negative performance data and scores on ABVS website which is password protected
- Vendor may only challenge data through the appropriate ABVS office
- Website:
  - <http://www.dscr.dla.mil/proc/abvm/abvm.htm>
  - Where you see: Click here to obtain your ABVS data, click on the word here



# ABVS Current Status



- Past performance data flows into ABVS on BSM orders issued 1 January 2006 forward
- As daily shipping and/or receipt transactions post BSM performance data is refreshed and flows into ABVS and ABVS data is refreshed
- Negative performance data is on ABVS website in a preview window for contractor review and challenge opportunity prior to calculation in score
- Data can still be challenged even if data has moved out of the preview and into the rating



# Contractor Participation



- Vendors are strongly urged to review their performance data often and coordinate with the appropriate ABVS Administrator to resolve any concerns
- Through the challenge process, we saw the ship date on BSM orders was not always being populated in the data
- Systems change requests have been processed and the data flow is improved



# Contractor Participation



- We have other change requests in process to improve the data flow
- We are asking that contractors be our partners in managing the data and identify any data element that is invalid



# ABVS Team



## Administrators

- Patricia McCreay                            614-692-3383  
patricia.mccreay@dla.mil  
Team Leader
  
- Debra Brown                                614-692-1381  
debra.j.brown@dla.mil  
FAX    614-692- 4170
  
- Address: Defense Supply Center, Columbus  
Attn: DSCC-BPSF (ABVS)  
P.O. Box 3990  
Columbus, Ohio 43218-3990



## Points of Contact at DSCR and DSCP



- DSCR

Carolyn Harris (804) 279-6431 phone  
(804) 279-5042 fax  
email address: [carolyn.harris@dla.mil](mailto:carolyn.harris@dla.mil)

- DSCP

Tim Atwell (215) 737-7844 phone  
(215) 737-7949 fax  
email address: [timothy.atwell@dla.mil](mailto:timothy.atwell@dla.mil)



# Q&A



- Business Systems Modernization (BSM) Overview:  
Julie Van Schaik & Mike Corelis (booth 715)
- DLA Internet Bid Board System (DIBBS):  
Alan Searfoss & Patrice Francis (booth 715)
- Automated Indefinite Delivery Orders (AIDPO):  
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- Project Data Management Initiative (PDMI):  
Dan Nettler
- Automated Best Value System (ABVS):  
Pat McCreay (booth 706)



# DoD Radio Frequency Identification Update: Land and Maritime Supplier Conference

August 28 - 30, 2006



# Transformation is a Requirement

**“...Radio Frequency Identification (RFID) will play a key role in achieving the Department’s vision for implementing knowledge-enabled logistics support to the warfighter...”**



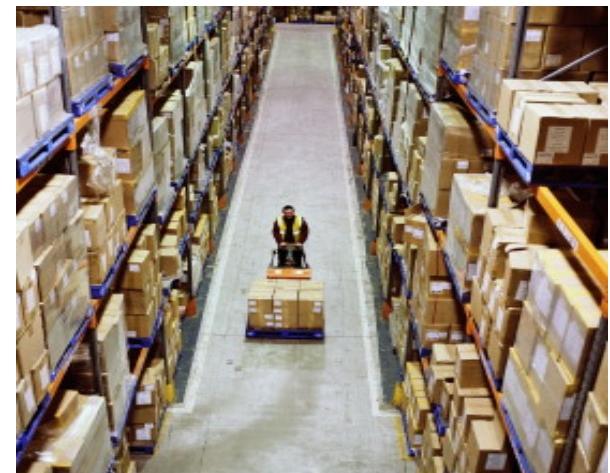
Quadrennial Defense Review Report, February 6, 2006

**The static approaches of the Cold War are obsolete.**



# The RFID Vision

Implement knowledge-enabled logistics through  
fully automated visibility and management of assets  
in support of the warfighter



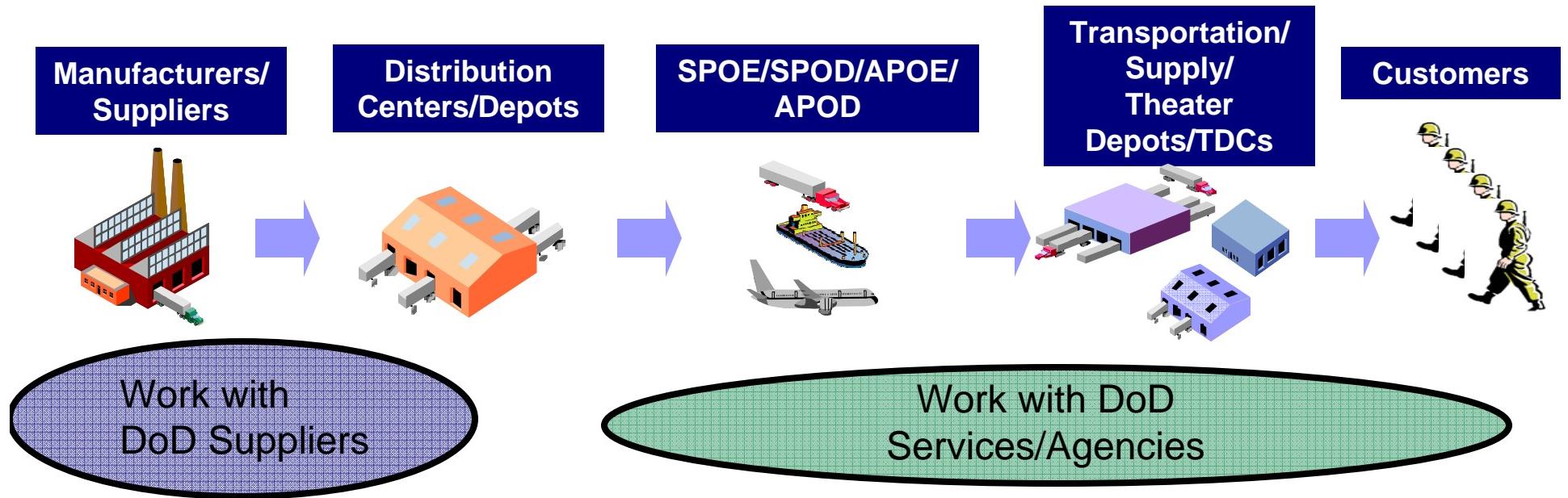
Make the Supply Chain an Offensive Weapon

However we are still facing old challenges...



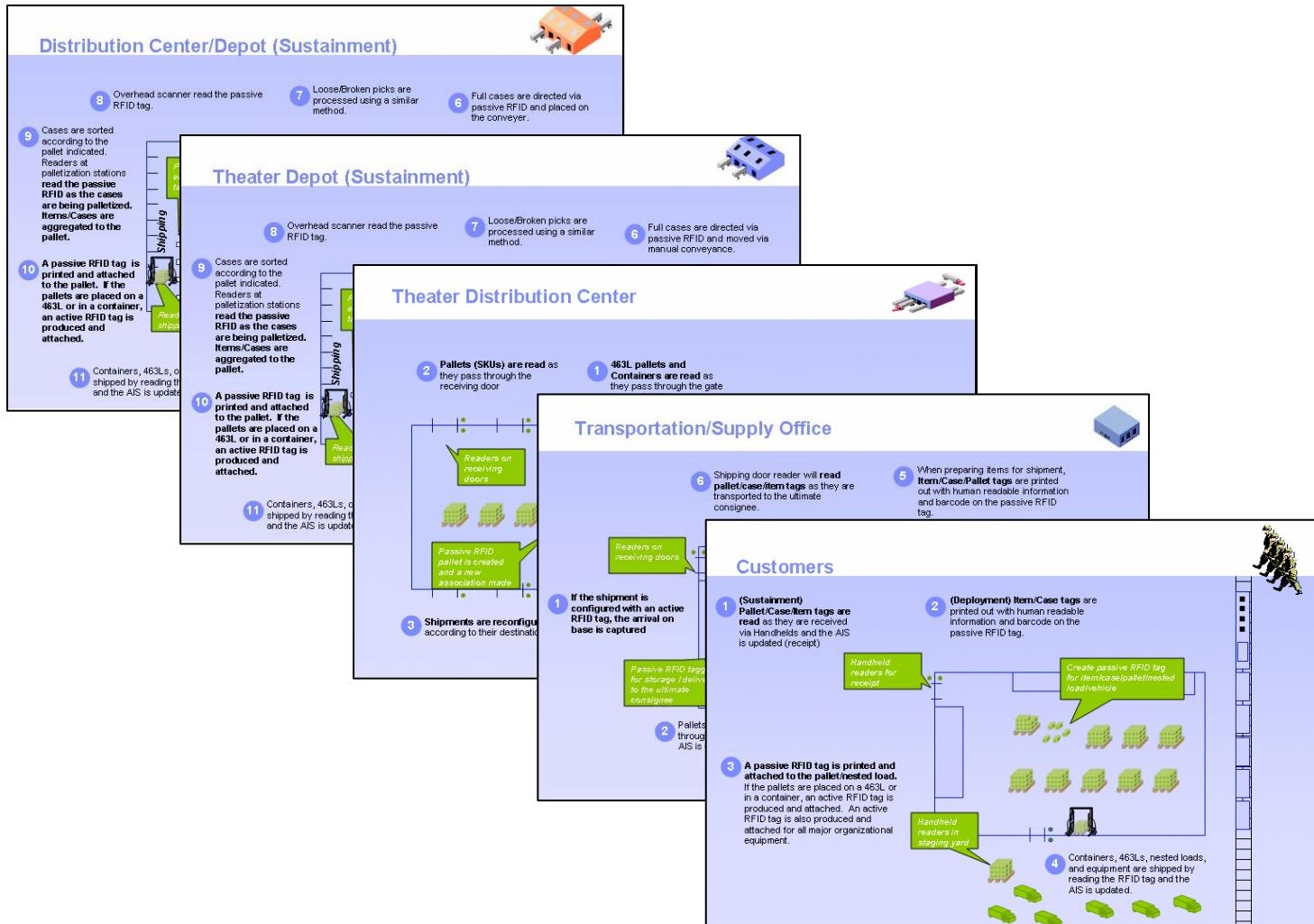


# End-to-End RFID enabled DoD supply chain



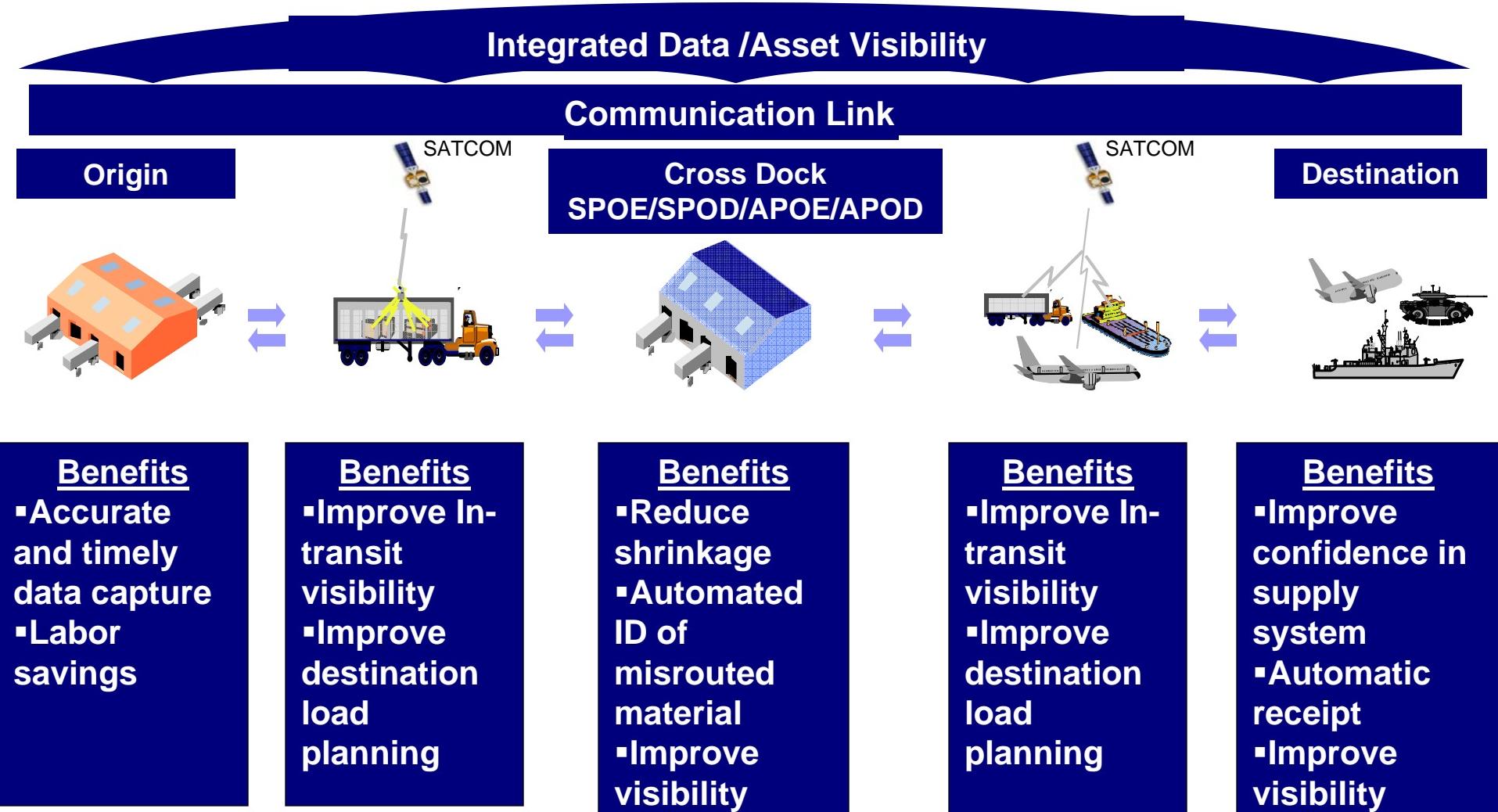


# RFID will enable distribution centers, customer sites, etc.





# Goal: An Integrated Supply Chain





# RFID Policy Scope & Standards

## Active RFID – In-transit visibility of consolidated shipments

- 433 Mhz readers & tags
- DoD tag data formats
- Suppliers rarely obligated to apply tags
- *No wide scale commercial use*



## Passive RFID – Visibility and Automated Processing at box and pallet level

- EPCglobal Class 0 and Class 1 (both Gen 1 and Gen 2) readers & tags
- EPC tag data formats (includes DoD tag data construct)
- Suppliers contractually obligated to tag
- *Wide scale commercial implementations*





# Passive EPC RFID Status



- 2005 Accomplishments
  - Initial DFARS clause effective Nov 14 , 2005
  - Two key depots are operational
  - RFID data requirements have been incorporated into Wide Area Workflow (WAWF)
  - RFID tagged shipments are being processed
- 2006 Plans
  - Synchronize Component Plans and ensure Component funding
  - Instrument 16 CONUS distribution centers
  - Implement 3 AMC aerial ports
  - Implement initial RFID related data architecture
  - Issue 2006 DFARS (additional commodities/sites)





# Contractual Requirements

## Time line for implementing RFID

- DFAR 2005: Final clause effective November 14, 2005

- Class II – Clothing and Textiles
  - Class VI – Personal Demand Items
  - Class IX – Weapon System Spare and Repair Parts
  - Class I (subclass for Prepackaged Operational Rations/MREs)
  - ...Shipped to Susquehanna and San Joaquin

- **DFAR for 2006 adds additional commodities/locations:**

- Class III – Packaged Petroleum
  - Class IV – Construction/Barrier Equipment
  - Class VIII – Medical Material (**not Pharmaceuticals, Biologicals, or Reagents**)
  - ...Shipped to all US distribution centers, three strategic aerial ports

- *DFAR for 2007 – Analysis underway*



Acceptable tags...Class 1 (Gen 2)



# Required 2006 DFAR Locations

## ■ DLA Defense Distribution Depots

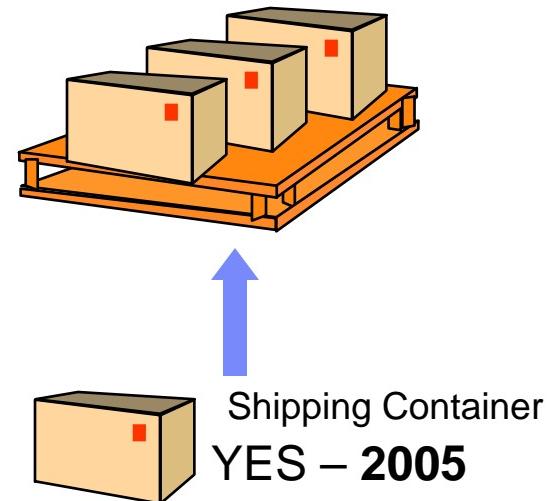
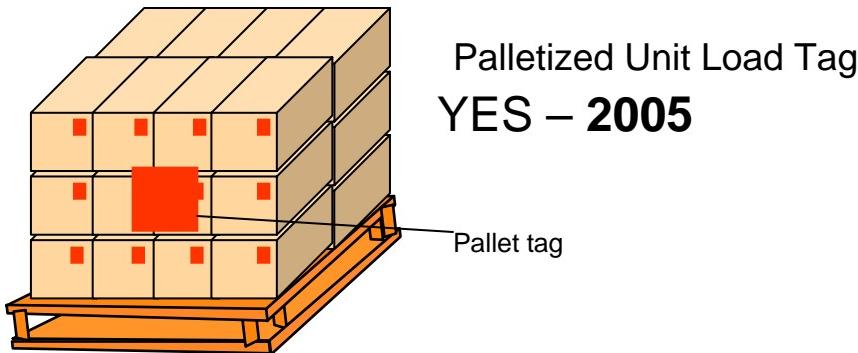
- Albany, GA
- Anniston, AL
- Barstow, CA
- Cherry Point, NC
- Columbus, OH
- Corpus Christi, TX
- Ogden, UT
- Jacksonville, FL
- Oklahoma, OK
- Norfolk, VA
- Puget Sound, WA
- Red River, TX
- Richmond, VA
- San Diego, CA
- **Susquehanna, PA**
- **San Joaquin, CA**

## ■ TRANSCOM Air Mobility Command Terminals

- Charleston, SC
- Norfolk, VA
- Fairfield, CA (Travis AFB)



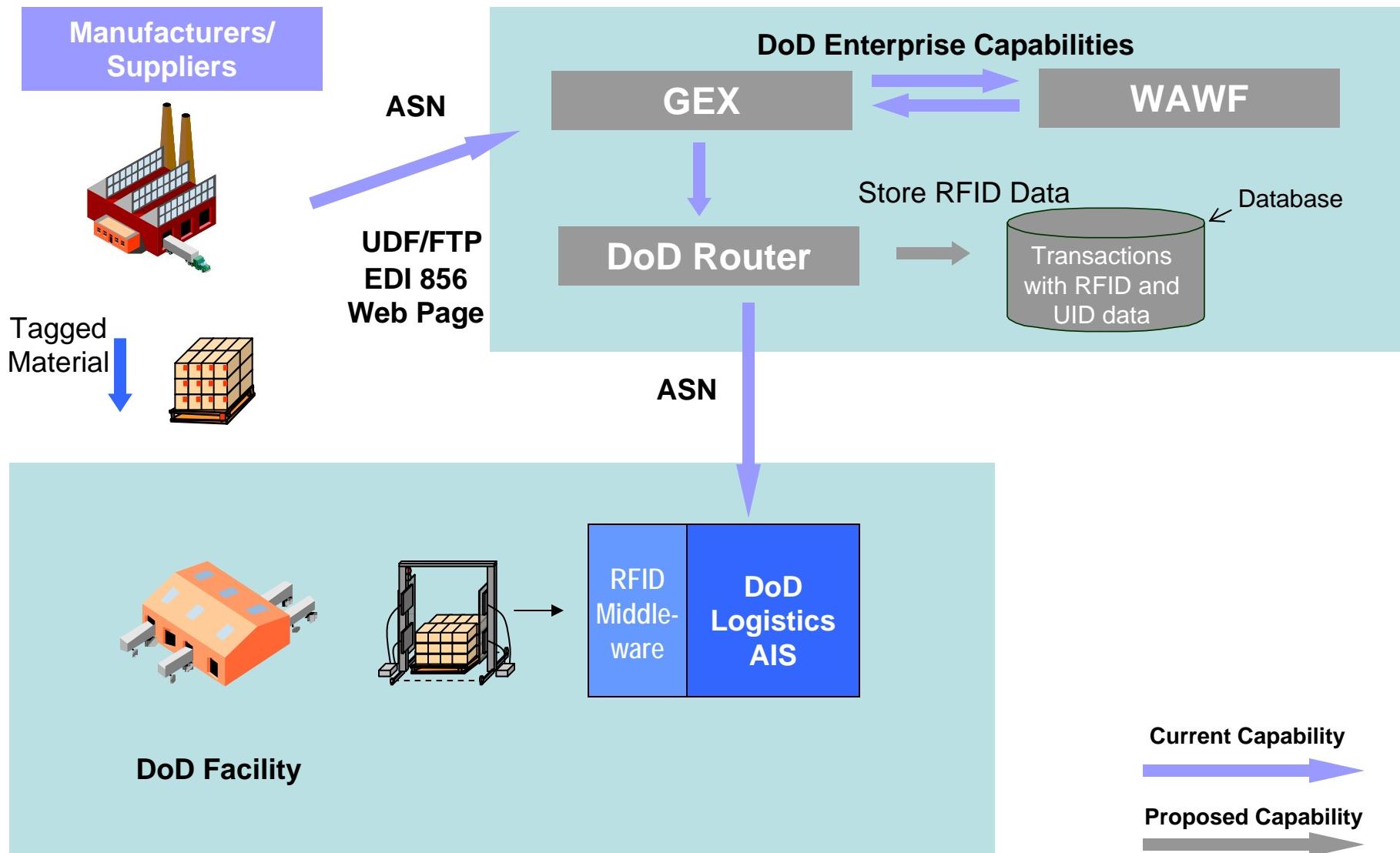
# Implementation Plan: Level of Packaging



\*If the UID Packaging is also an External Container or a Shipping Container, it will have an RFID tag.

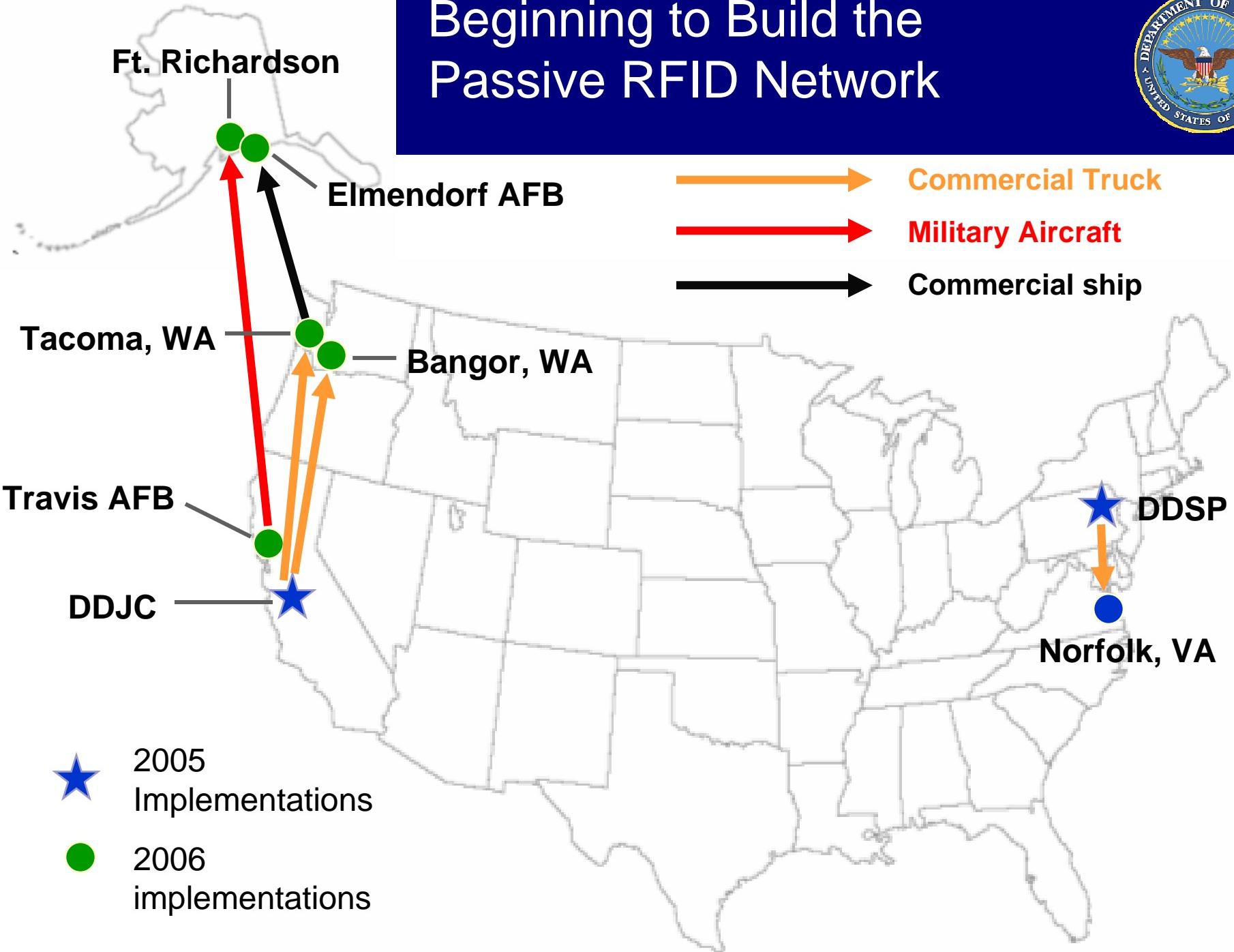


# Advance Shipment Notice Requirement



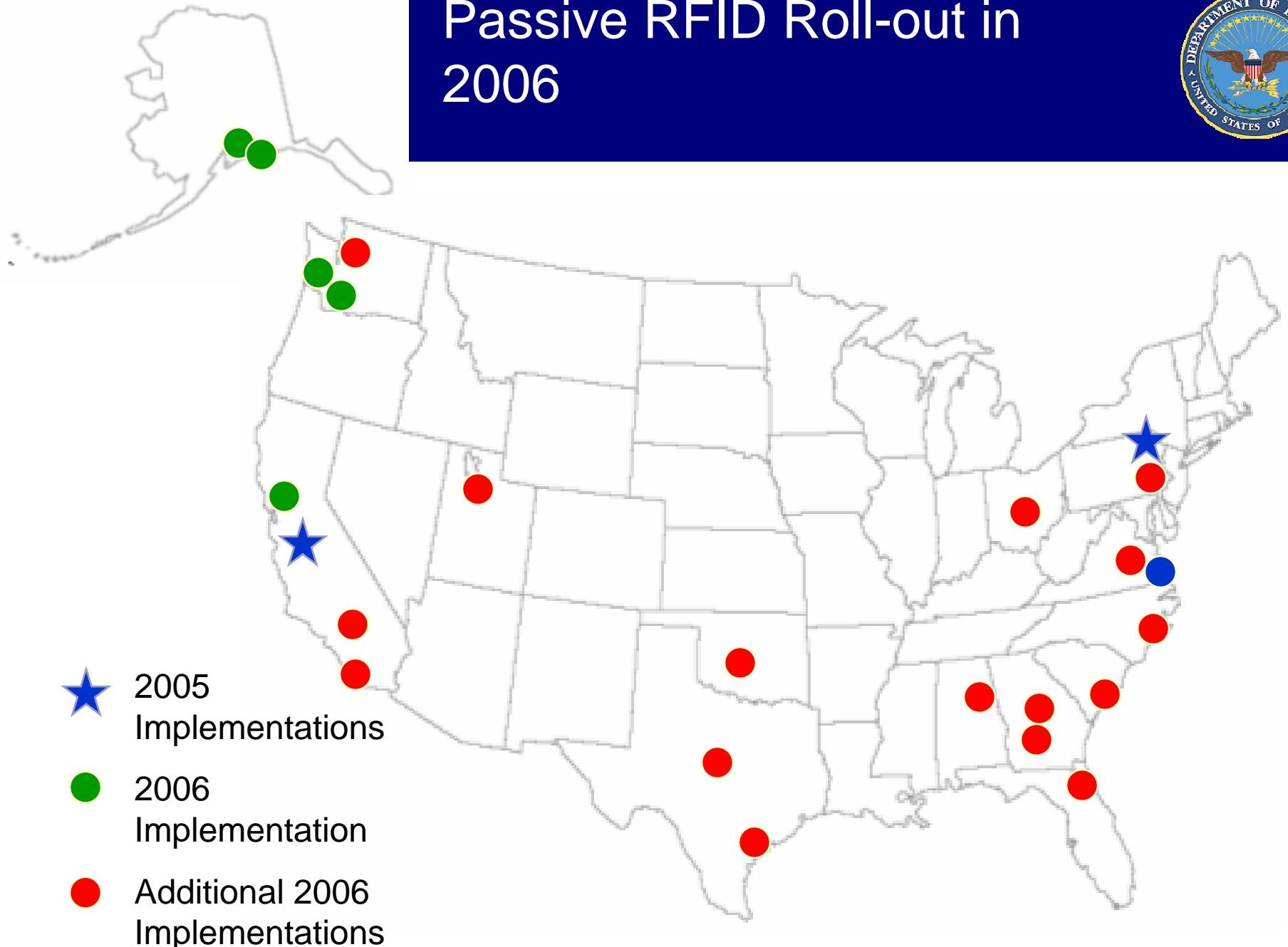


# Beginning to Build the Passive RFID Network



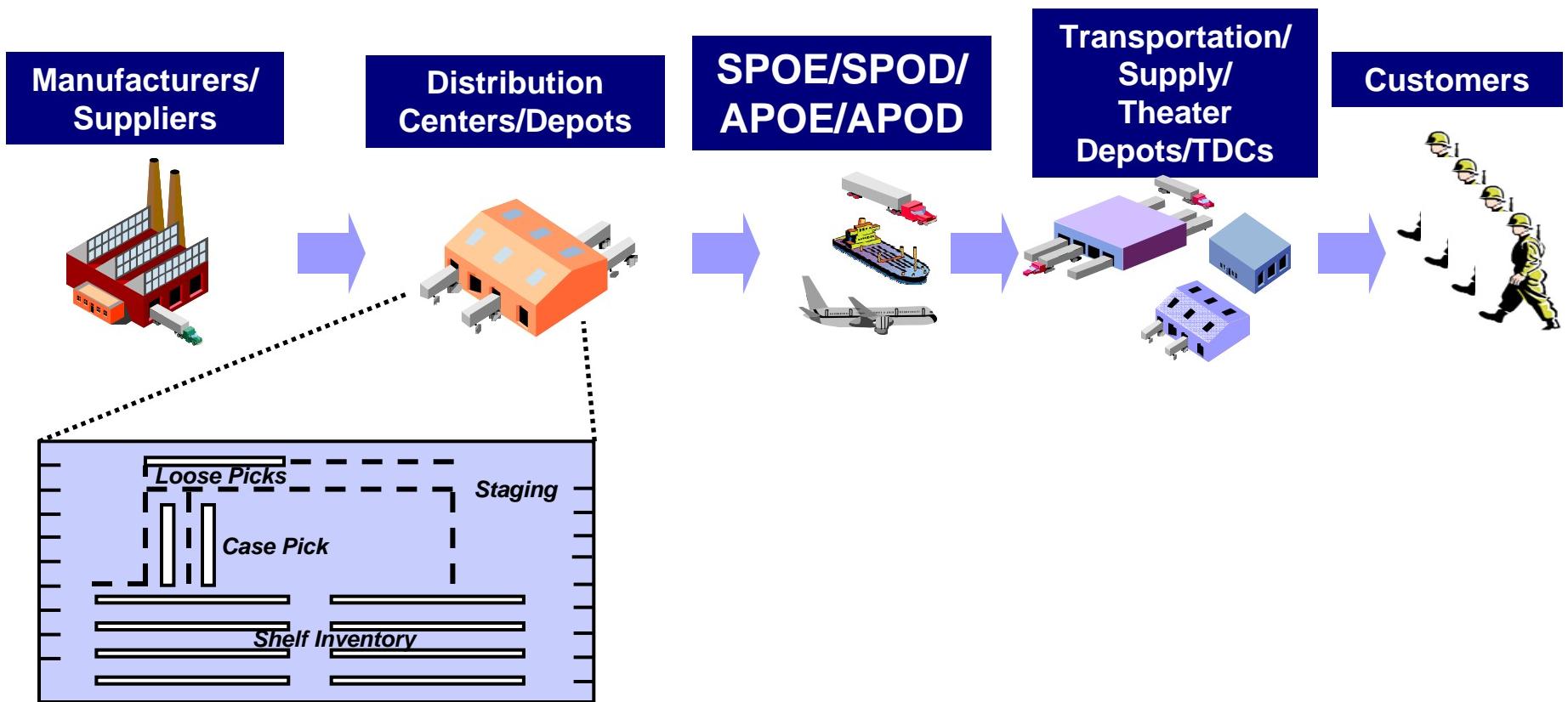


# Passive RFID Roll-out in 2006





# RFID-enabled Internal Processes





# Early Implementations are Promising

## ■ Norfolk Ocean Terminal

- Accuracy – i.e. Misrouted Shipments (3% improvement)
- Time Savings (39% improvement)

## ■ USS Nassau

- Indicated that using passive RFID in their receiving/sorting process will result in efficiencies.

## ■ Advance Traceability & Control Transportation System (ATAC)

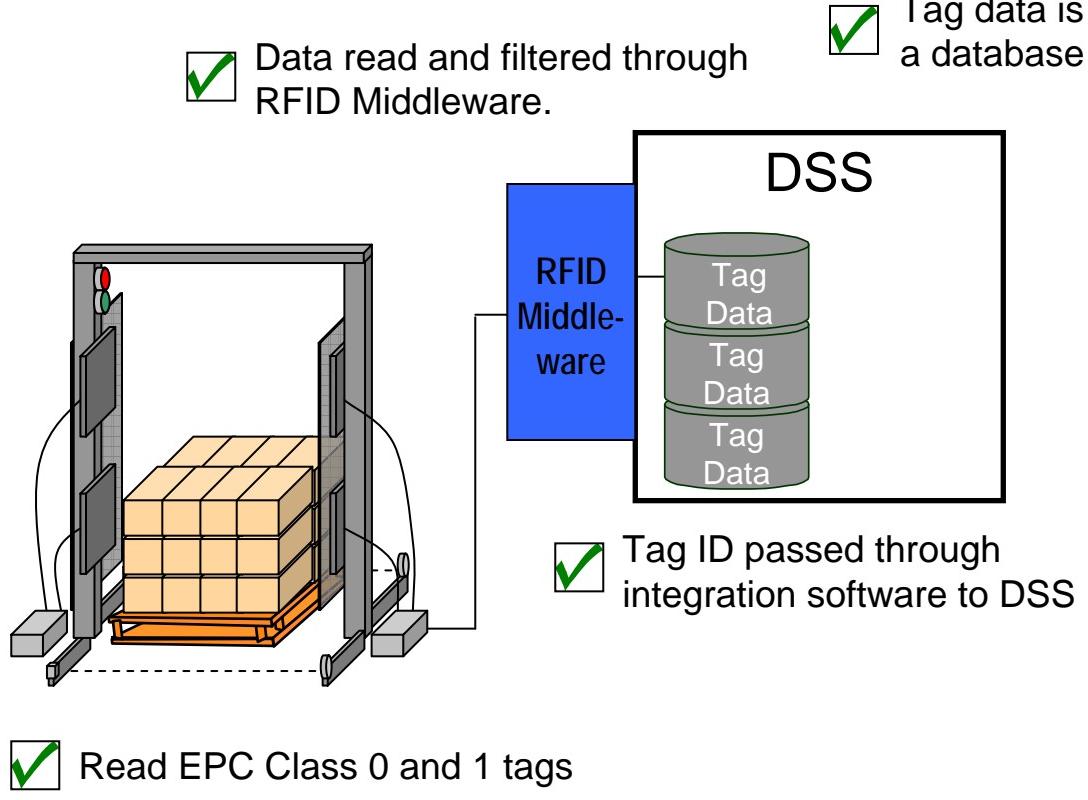
- Automated receipt information collected via passive RFID identified 355 shipments worth \$12.6M where no proof of delivery information was previously recorded in the depot logistics system.



# DLA Distribution Centers & TRANSCOM Aerial Ports



- Outfitted Defense Distribution Center San Joquain, CA (DDJC) and Defense Distribution Center Susquehanna, PA (DDSP) with passive RFID infrastructure (2005)
- Have begun process for instrumenting remaining CONUS DLA distribution centers & TRANSCOM aerial ports (2006)





# PTAC Training

- Established a formal agreement with the Procurement Technical Assistance Centers (PTAC) to provide RFID training/outreach to the DoD supplier community.
- Conducted 14 “Train-the-Trainer” workshops
  - 300 counselors trained on DoD RFID Policy
  - 94 PTAC Centers in US for local outreach to small businesses
- PTACs are developing and delivering RFID assistance to DoD suppliers via a variety of methods
  - 25 Local workshops occurred in Fall 2005
  - 1400 attendees to participate
  - <http://www.dla.mil/db/>



## The Way Ahead

- Publish the 2006 DFARS rule for passive RFID
- Work with the Services and Agencies on the DoD internal rollout for passive RFID
- Continue to provide education and outreach





## For Your Information

- For further information that can assist you with compliance, visit: <http://www.dodrfid.org>
  - DoD RFID Policy
  - DoD RFID Supplier Implementation Plan
  - DoD Suppliers' Passive RFID Information Guide
  - MIL-STD 129P(3) (Updated with RFID changes)
  - Wide Area Workflow (WAWF) Information
  - Frequently Asked Questions (FAQ)
  - Class of Supply Lookup
  - Lessons Learned
  - Schedule of RFID Events where DoD RFID personnel will be speaking
- You can ask the team any RFID-related question through the following email address: [info@dodrfid.org](mailto:info@dodrfid.org)



# Set Aside Programs



DSCC's Office of Small  
Business Programs



# Agenda



- DLA Background
- DSAC Small Business Program Performance
- Set-aside Programs
- Socio-Economic Program Requirements and Rules
- Protests and Appeals of Small Business Representations
- Suppliers Making a Difference
- Help is Available
- Conclusion



# DEFENSE LOGISTICS AGENCY MISSION



Provide Products and Logistics Services  
Worldwide to America's Armed Forces...





# DLA's Business



## PRODUCTS:

- ✓ Consumable Spare Parts
- ✓ Fuel
- ✓ Energy
- ✓ Food
- ✓ Medical
- ✓ Apparel
- ✓ Construction

5.2 Million Items

- 95% of Services' Repair Parts
- 100% of Military Needs for Fuels, Medical & Clothing & Textiles, Construction & Barrier Materiel Met by DLA

## SERVICES:

- ✓ Acquisition
- ✓ E-Business
- ✓ Log Info & Document Automation
- ✓ Warehousing & Distribution
- ✓ Reutilization & Disposal
- ✓ National Stockpile

## Customers:

- Deployable Units
- Fixed Bases
- Ships at sea
- Allies
- Other Federal Agencies
  - FAA
  - NASA
  - Coast Guard
  - TSA



# The DLA Enterprise



FY01 Sales/Services:	\$17B
FY02 Sales/Services:	\$21.5B
FY03 Sales/Services:	\$25B
FY04 Sales/Services:	\$28B
FY05 Sales/Services:	\$31.8B
FY06 Projection:	\$35.0B

- Land/Maritime: \$3.0B
- Aviation: \$3.3B
- Troop Support: \$12.3B
- Energy: \$11.0B
- Distribution: \$2.2B
- Other: \$1.3B

## Foreign Military Sales

- Sales: \$1.18B
- Shipments: 535K
- Supporting 124 Nations

## Scope of Business

- 54,000 Requisitions/Day
- 8,200 Contracts/Day
- #58 Fortune 500 – Above Sprint Nextel
- #2 in Top 50 Distribution Warehouses
- 26 Distribution Depots
- 5.2 Million Items – eight supply chains
- 1411 Weapon Systems Supported
- \$14.6B Annual Reutilizations/Disposals

## People

- 20,805 Civilians
- 519 Active Duty Military
- 754 Reserve Military
- Located in 48 States/28 Countries



# DLA Supply Centers



DSCC - COLUMBUS  
3990 EAST BROAD STREET  
COLUMBUS, OH 43213-1152  
TEL: (614) 692-3541 or  
1-800-262-3272  
Web Site: [www.dscc.dla.mil](http://www.dscc.dla.mil)

DSCR - RICHMOND  
8000 JEFFERSON DAVIS HWY  
RICHMOND, VA 23297-5124  
TEL: (804) 279-3287 or  
1-800-227-3603  
Web Site: [www.dscr.dla.mil](http://www.dscr.dla.mil)

DSCP - PHILADELPHIA  
700 ROBBINS AVENUE  
PHILADELPHIA, PA 19111-5092  
TEL: (215) 737-2321 or  
1-800-831-1110  
Web Site: [www.dscp.dla.mil](http://www.dscp.dla.mil)

DESC - DEFENSE ENERGY  
SUPPORT CENTER  
8725 JOHN KINGMAN DRIVE  
FT. BELVOIR, VA 22060-6222  
TEL: (703) 767-9400 or  
(800) 523-2601  
Web Site: [www.desc.dla.mil](http://www.desc.dla.mil)



# Defense Supply Center Richmond



## Aviation Supply Chain

### AVIATION

- Engine Components
- Air Frames
- Landing Gear
- Flight Safety Equip
- Propeller Systems

### ENVIRONMENTAL

- Re-refined Oil
- Ozone Depleting Substances
- Hazardous Min Program

### MAPS

- Maps
- Charts
- Graphs

For all DoD Activities

### INDUSTRIAL

- Lathes
- Milling Machines
- Heavy Industrial Machinery

LAND  
DETACHMENT

MARITIME  
DETACHMENT



# Defense Supply Center Philadelphia



## Troop Support Lead Center

### CLOTHING / TEXTILES

- Combat uniforms/tents
- Body armor/field equip
- Individual chem/bio protective suit
- All Service uniforms

### SUBSISTENCE

- Operational Rations (Meals Ready-to-Eat & Group Rations)
- Food Service & Field Feeding Equip
- Dining Facility Support
- Fresh Fruits & Vegetables

### MEDICAL

- Diagnostic Imaging Equip
- MRI Equipment
- Surgical & Dental Supplies
- Pharmaceuticals
- Optical Products
- Laboratory Items

### CONSTRUCTION & EQUIP

- Facilities Maintenance
- Diving, Safety & Rescue Equip
- Fire & Emergency Services
- Wood Products
- Metals
- Barrier Material

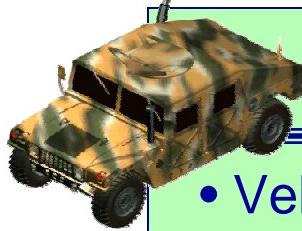
LAND  
DETACHMENT

MARITIME  
DETACHMENT

AVIATION  
DETACHMENT



# Defense Supply Center Columbus



## Land

- Vehicles Components
- Gun Parts
- Tires
- Transmission Equip
- Water Purification Equip
- Batteries
- Bearings



## Maritime

- Valves
- Fluid Handling
- Pipes, Hoses & Fittings
- Pumps
- Motors
- Electronics
- Fiber Optics

AVIATION  
DETACHMENT



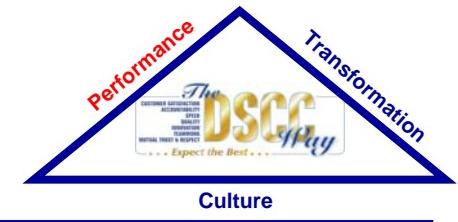
# Defense Supply Center Columbus



- Over 2 million items managed
- Nearly \$3 billion in annual awards
- One of the largest suppliers of weapons system spare parts in the world
- 24,000 Military and Civilian Customers
- 10,000 Suppliers
- Approximately 2,300 Employees
- 6.5M Orders Annually
- Installation opened in 1918



# DSCC SMALL BUSINESS GOALS



	FY05 GOALS	FY05 ACTUALS	FY06 GOALS	Current Performance Estimates
SMALL BUSINESS	58.2%	61.4%	60.0%	68.9%
HUBZone	2.1%*	3.9%	2.5%*	4.5%
SMALL DISADVANTAGED	3.7%	3.9%	4.1%	4.2%
WOMAN OWNED	5.9%	9.8%	6.9%	9.6%
SERVICE DISABLED	.70%*	.40%	.80%*	.94%
8(a) (SDB Subset)	.50%	.64%	.72%	.74%

\* Agency assigned goal



# Current SBA Programs with Set-Aside Provisions



- Small Business Set-aside
- Section 8(a) Business Development Set-aside
- HUBZone Set-aside
- Service Disabled Veteran Owned Set-aside (effective May 5, 2004)



# SBA Programs Without Set-aside Authorization



- NO Small Disadvantaged Business Set-aside
  - NO Veteran Owned Business Set-aside
  - NO Women Owned Business Set-aside \*



# Woman Owned Implementation Coming?



- Small Business Reauthorization Act of 2000
  - (signed 12/21/2000, as part of Public Law 106-554)
  - Section 811(m) Provides for “Restricted Competition” for Woman Owned Small Businesses
  - Regulations implementing the provision have not been written
  - May be a set-aside or a preference



# Small Business Set Aside Program



# Small Business Set Aside Requirements



- Must be a small business concern
  - Organized for profit
  - Place of business located in the U.S.
  - Makes significant contribution to the U.S. economy through payment of taxes and/or use of American products, materials, and/or labor
  - Qualifies as small under the size standard for the NAICS code specified in the solicitation



# Small Business Set Aside Requirements



- Service Contracts
  - Must perform at least 50 percent of the cost of the contract incurred for personnel with its own employees
- General Construction Contracts
  - Perform at least 15 percent of the cost of the contract with its own employees (not including the costs of materials)
- Special Trade Construction Contracts
  - Perform at least 25 percent of the cost of the contract with its own employees (not including the cost of materials)



# Small Business Set Aside Requirements



- Contract for Supplies or Products (may be a manufacturer or non-manufacturer)
  - Manufacturer: perform at least 50 percent of the cost of manufacturing the supplies or products (not including the costs of materials)
  - Non-manufacturer: must supply the product of a domestic small business manufacturer or processor (non-manufacturers rule)



# Supply Contracts



- Non-manufacturers: Rule Exceptions & Waivers
  - Exception: Small Business Set-aside acquisitions between \$2,500 and \$25,000
    - Non-manufacturers may supply any domestically manufactured large or small business product
  - Waiver: SBA has determined there are no small business manufacturers participating in the Federal marketplace
    - On a small business set-aside acquisition a non-manufacturer may supply any product



## 8(a) Business Development Contracting Set-asides



# 8(a) Program Set Aside Requirements



- Company must be a current 8(a) program participant (only one 9 year term)
- Capabilities must match the requirement
- Award price cannot exceed Government's established "fair market price"
- SBA must accept the requirement for the 8(a) program (over \$100,000 for DoD actions)



# 8(a) Set Aside Performance Requirements



- The 8(a) contractor must perform certain percentages of work with its own employees
- These percentages and the requirements relating to them are the same as those established for small business set-aside prime contractors (including non-manufacturers)



# HUBZone Set-aside Program



# HUBZone Program Participation Requirements



- Must be a qualified HUBZone small business concern
  - To become certified by the SBA as a HUBZone small business concern:
    - Principle place of business must be located in a HUBZone
    - 35% of the employees must reside in a HUBZone



# HUBZone Set-aside Performance Requirements



- Same as those for small business set asides with the following exceptions
  - The agreement to perform the required percentages of work may be met solely by the qualified HUBZone small business concern or in combination with one or more other qualified HUBZone small business concerns.
  - A qualified HUBZone nonmanufacturer must furnish only end items manufactured or produced by HUBZone small business manufacturers



# HUBZone Set-aside Performance Requirements



- General HUBZone construction contract:
  - At least 50% of the cost of the contract incurred for labor must be performed by qualified HUBZone contractor employees
  - At least 15% of the cost of the contract incurred for labor must be performed by the employees of the HUBZone prime contractor itself (as of August 2005)



# HUBZone Set-aside Performance Requirements



- Special trades HUBZone construction contract:
  - At least 50% of the cost of the contract incurred for labor must be performed by qualified HUBZone contractor employees
  - At least 25% of the cost of the contract incurred for labor must be performed by the employees of the HUBZone prime contractor itself (as of August 2005)



# HUBZone Program



- Special Exceptions & Waivers to the Non-manufacturers Rule:
  - for HUBZone set aside contract actions between \$2,500 and \$25,000, a qualified HUBZone small business concern may supply the end item of any domestic manufacturer, including a large business
  - There is no provision for a waiver to the non-manufacturers rule for HUBZone Set-asides



# Service Disabled Veteran Owned Small Business Procurement Program



# SDVOSB Program Participation Requirements



- Must be a domestic small business concern
- Must be owned by a service disabled veteran
  - At least 51% of the business must be owned and controlled by one or more service disabled veterans



# SDVOSB Set Aside Performance Requirements



- Same as those for small business set asides with the following exceptions:
  - The agreement to perform the required percentages of work may be met solely by the SDVOSB or in combination with one or more other service disabled veteran owned small business concerns



# SDVOSB: Non-manufacturers Rule Exceptions & Waivers



- Exception: SDVOSB Set-aside acquisitions between \$2,500 and \$25,000
  - Non-manufacturers may supply the product of any domestic large or small business
- Waiver: SBA has determined there are no SB Manufacturers participating in the Federal marketplace
  - On a SDVOSB set-aside acquisition a non-manufacturer may supply any product



# Protests & Appeals of Small Business Representations



# Protest and Appeals



- **Protesting a Small Business Representation**
  - May be filed by an offeror, the SBA, or another interested party to the contracting officer
  - Must relate to a specific procurement
  - Must include specific grounds and facts
  - Must be timely to effect the specific procurement
    - Received in writing within 5 business days of bid opening or notice of apparent successful offeror
  - Formal determination will be made by SBA GC Area Director



# Protest and Appeals



- Protesting HUBZone small business status
  - May be filed by an offeror, the SBA, or the contracting officer
  - Must relate to a specific procurement
  - Must include specific grounds and facts
  - Must be timely to effect the specific procurement
    - Received in writing within 5 business days of bid opening or notice of apparent successful offeror
  - Formal determination will be made by SBA AA for the HUBZone Program



# Protest and Appeals



- **Protesting SDVOSB status**
    - May be filed by an offeror, the SBA, or the contracting officer
    - Must relate to a specific procurement
    - Must include specific grounds and facts
    - must be timely to effect the specific procurement
      - Received in writing within 5 business days of bid opening or notice of apparent successful offeror
    - Formal determination will be made by SBA AA for Government Contracting



# Protest and Appeals



- Appeals may be made by
    - The party whose protest has been denied
    - The concern adversely affected by the protest
    - The contracting officer
  - SB Size and SDVO status appeals are made to SBA's Office of Hearings & Appeals
  - HUBZone status appeals are made to the SBA's ADA of GC & 8(a) BD



# SBA's Key Internet Addresses



- SBA's Home Page:  
[www.sba.gov](http://www.sba.gov)
- Government Contracting:  
[www.sba.gov/GC](http://www.sba.gov/GC)
- 8(a) Business Development  
[www.sba.gov/8abd](http://www.sba.gov/8abd)
- HUBZone:  
[www.sba.gov/hubzone](http://www.sba.gov/hubzone)



# Small Business Program Success Stories



## Suppliers Making a Difference



# Service Disabled Program Sun Precision



- A machine shop established in 1978:
  - Precision turning, milling, honing, deep bore drilling, mold design and fabrication
  - Armored vehicle components, ordnance components, and diesel engine components
- Slide for a .50 caliber machine gun was desperately needed in the war zone
- On the top 10 backordered item list
- Sun completed First Article Testing and delivered all in less than 60 days!

[www.sunprecision.com](http://www.sunprecision.com)



# 8(a) Program UPI



- Produces military transportation equipment, including HMMWV components
    - bulletproof windows, driver seats, exhaust manifolds and exhaust crossover pipes
  - HMMWV Ballistic Window Assemblies needed for urgent Up-Armor Project
  - UPI shipped within 1 month, 4 months earlier than the contract delivery date



**[www.upimfg.com](http://www.upimfg.com)**



# HUBZone Program

## Blue Chip Manufacturing



- Columbus-based company started in 1994
- Specialize in hard to manufacture items
- Over 350 contracts in 16 different stock classes
- Machine gun shield kit - corrected welding process and expedited delivery to offset backorders
  - Other manufacturer's parts determined defective
  - Blue Chip only usable parts to support the troops



# Where Can I Go for Help??



# DSCC Office of Small Business Programs



NAME	PROGRAM	PHONE
Eleanor Holland eleanor.holland@dla.mil	Director	800-262-3272 614-692-3735
Will Chavez william.chavez@dla.mil	Small Disadvantaged Business and 8(a) Programs	614-692-1288
Vikki Hawthorne vikki.hawthorne@dla.mil	Outreach and Woman Owned	614-692-4864
Rebecca Parks rebecca.parks@dla.mil	HUBZone Program	614-692-3510
Tom Pfenning thomas.pfenning@dla.mil	JWOD Workshops (Blind & Severely Handicapped)	614-692-1494
Dwight deWeaver dwight.deweaver@dla.mil	Service Disabled Veteran Owned	614-692-7935
Charles Miller charles.miller@dla.mil	Opportunity Specialist	614-692-7624



# DSCP and DSCR Small Business Offices



## DSCR - RICHMOND

Director: John Henley

(804) 279-3287 or 1-800-227-3603

Web Site: [www.dscr.dla.mil](http://www.dscr.dla.mil)

## DSCP - PHILADELPHIA

Director: Mike McCall

TEL: (215) 737-2321 or 1-800-831-1110

Web Site: [www.dscp.dla.mil](http://www.dscp.dla.mil)



# Conclusion



**PLEASE VISIT THE  
SMALL BUSINESS BOOTH  
# 704  
ALONG THE DSCC CORRIDOR**



# 2006 Land & Maritime Supply Chains Business Conference & Exhibition

## Tire Privatization Breakout Session



# Transformation Through BRAC



# OSD Transformational Guidance for Supply & Storage



- Establish a consolidated multi-service supply, storage and distribution system that enhances the strategic deployment and sustainment of expeditionary joint forces worldwide.
- Privatize the wholesale storage and distribution processes from DOD activities that perform these functions
- Migrate oversight and management of all service DLRs to a single DOD agency / activity
- Establish a single Inventory Control Point (ICP) within each service or consolidate into joint ICPs



# Joint Cross Service Group Recommendations



**51 total scenarios yielded 3 Recommendations  
for Supply & Storage**

Supply, Storage and Distribution  
Reconfiguration

DLR Procurement Management

Commodity Management Privatization



# BRAC Language



## Transformational Intent

Privatize the wholesale storage and distribution processes from DOD activities that perform these functions

## Decision

Relocate tire supply contracting function from Detroit Arsenal and Hill AFB to DSC Columbus ICP. Relocate supply contracting function for packaged POL from NSA Mechanicsburg to DSC Richmond ICP. Disestablish all other supply functions and all storage and distribution functions for tires, packaged POL and compressed gasses.



# What Does This Recommendation Do?



Privatizes supply functions performed at TACOM,  
Mechanicsburg, Hill ALC and DSC Richmond

Privatizes storage and distribution functions  
performed at other distribution depots

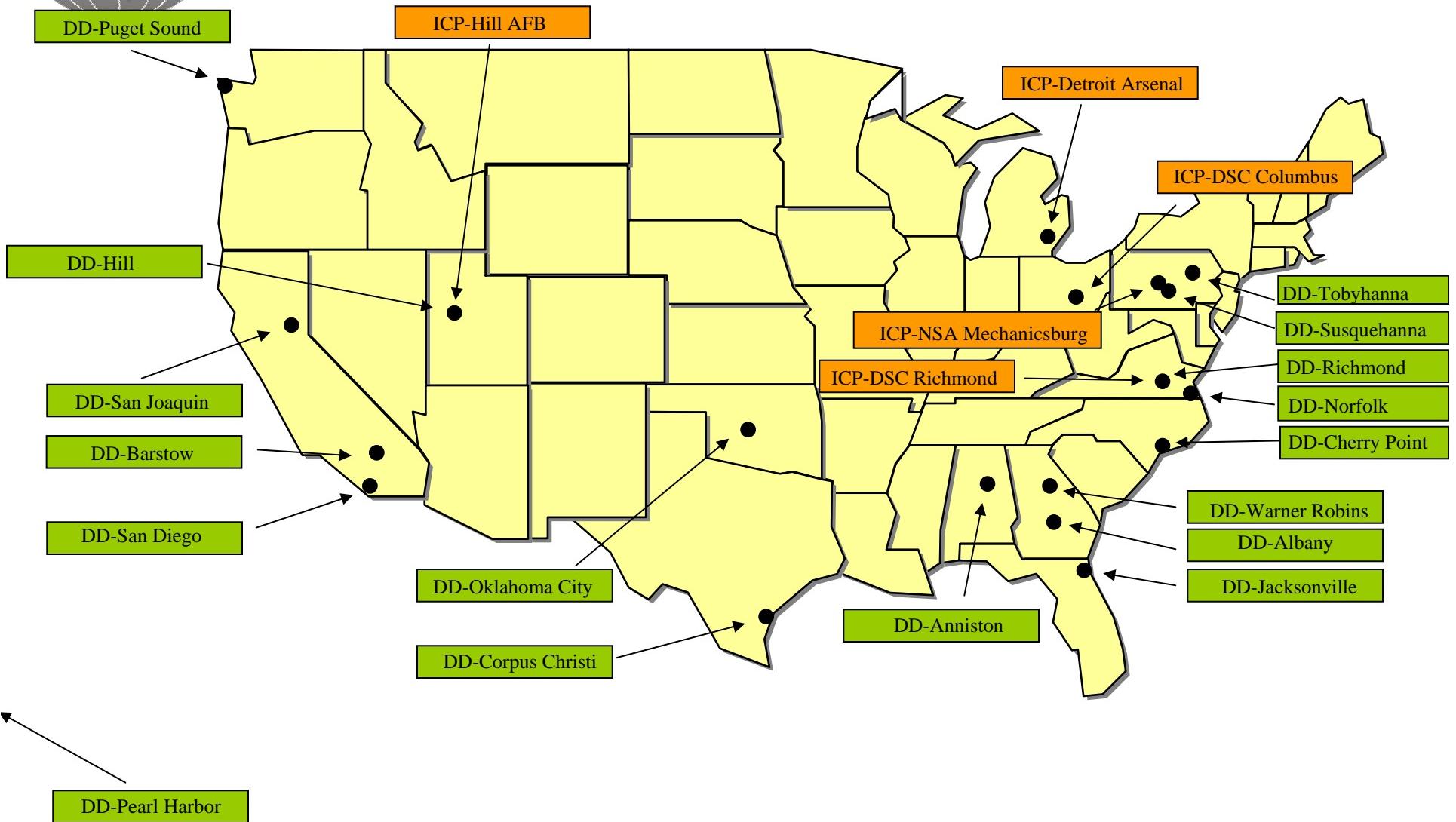
Assigns responsibility for tire contracts to Columbus  
ICP

Starts: 2006

Finishes: 2008



# Places Impacted By The Recommendation





# Past Supply Contracts



## Avg. Annual Procurement \$

Army                    \$125 Million

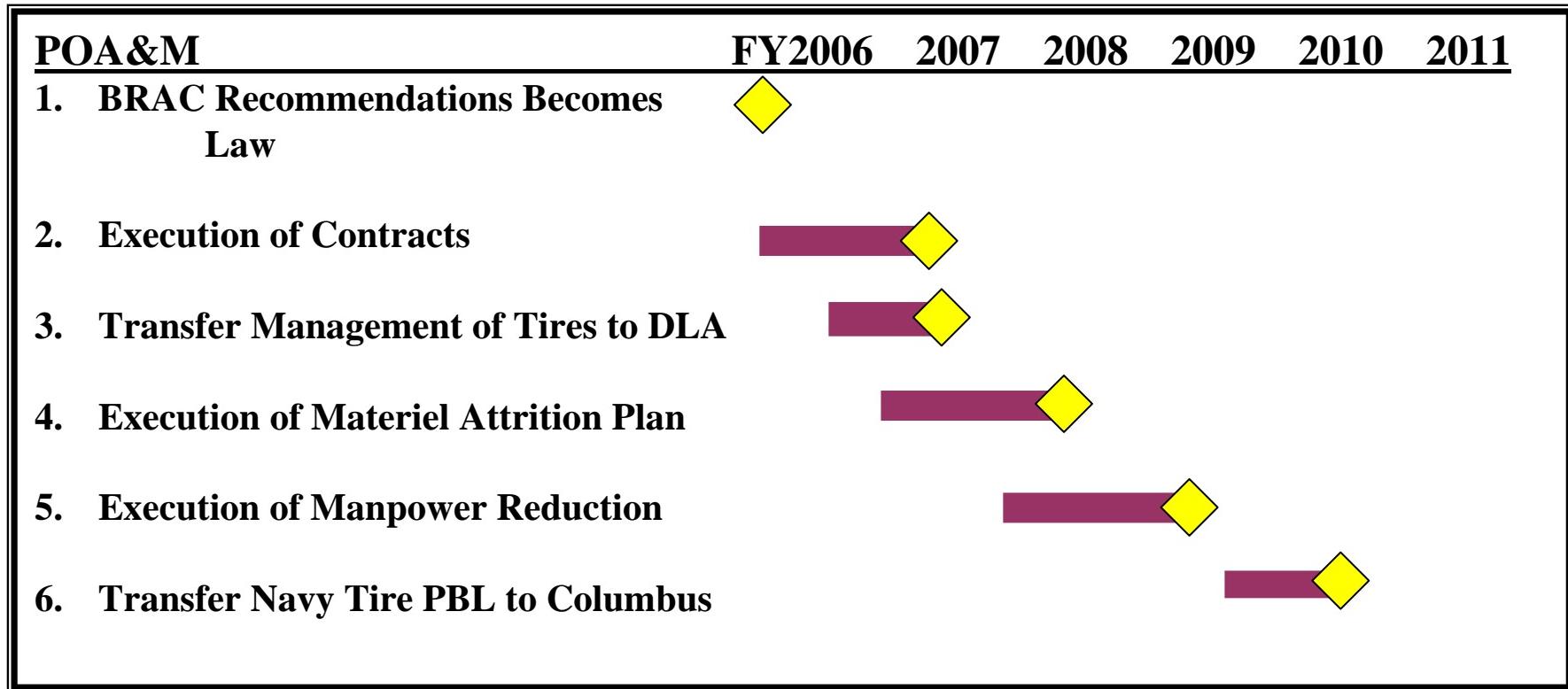
Air Force              \$ 42 Million

DLA                    \$ 1 Million



# Tire Privatization

## POA&M





# Tire Privatization Acquisition Status



Issued Two Solicitations	–	10 July 06
Aircraft	–	
Land Vehicles	–	
Pre-Proposal Conference	–	27 July 06
Solicitation Closes	–	7 Sep 06
Evaluation Begins	–	11 Sep 06
Contract Award	–	31 Dec 06

Solicitation Website:

<http://www.dscc.dla.mil/programs/tiremgmt/>



# Business System Modernization



## GOVERNMENT SUPPLY FUNCTIONS:

- Planning
- Procurement
- Order Fulfillment
- Finance
- Technical and Quality





# DISCLAIMER



- Solicitation and its Amendments is the Government's representation to potential offerors.
- Nothing I say or do today should be relied upon in the submission of a proposal.

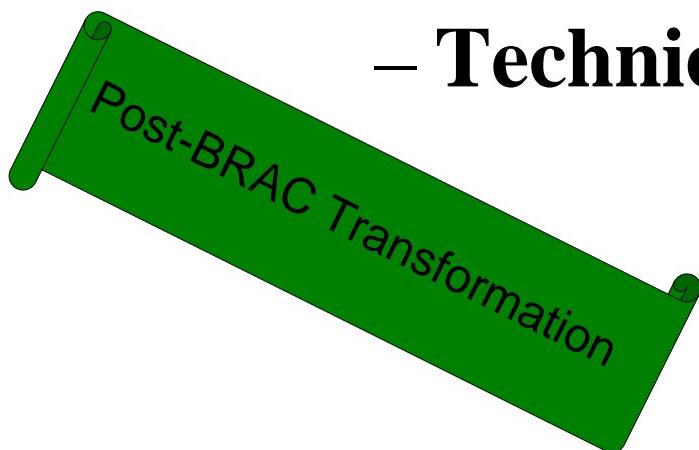


# Business System Modernization



## PROCESSES:

- Planning (**Contractor**)
- Procurement (**Government**)
- Order Fulfillment (**Contractor**)
- Finance (**Contractor**)
- Technical and Quality (**Shared**)





# Tire Privatization



## Planning Fundamentals (Contractor)

- Demand Planning
  - Identify Future Needs Through Collaboration
  - Improve Demand Plan Accuracy
- Supply Planning
  - Ensure Inventory Is Available When & Where Needed
  - Optimize Inventory Levels, Inventory Turns, And Assist In Reducing Leadtimes



# Tire Privatization



## Procurement Fundamentals (Government)

- Payment
- Single Contract Writing Application
- Single Integrated Master Data
- Visibility Of Long Term Contracts Across The Enterprise



# Tire Privatization



## Order Fulfillment Fundamentals (Contractor)

- Quick Order Turnaround
- Provides Timely Information
- Track & Trace Orders



# Tire Privatization



## Finance Fundamentals (Contractor)

- Better Planning = Better Budgets
- Better Cost Visibility
- Enables CFO Compliance
- Near Real-time Data



# Tire Privatization



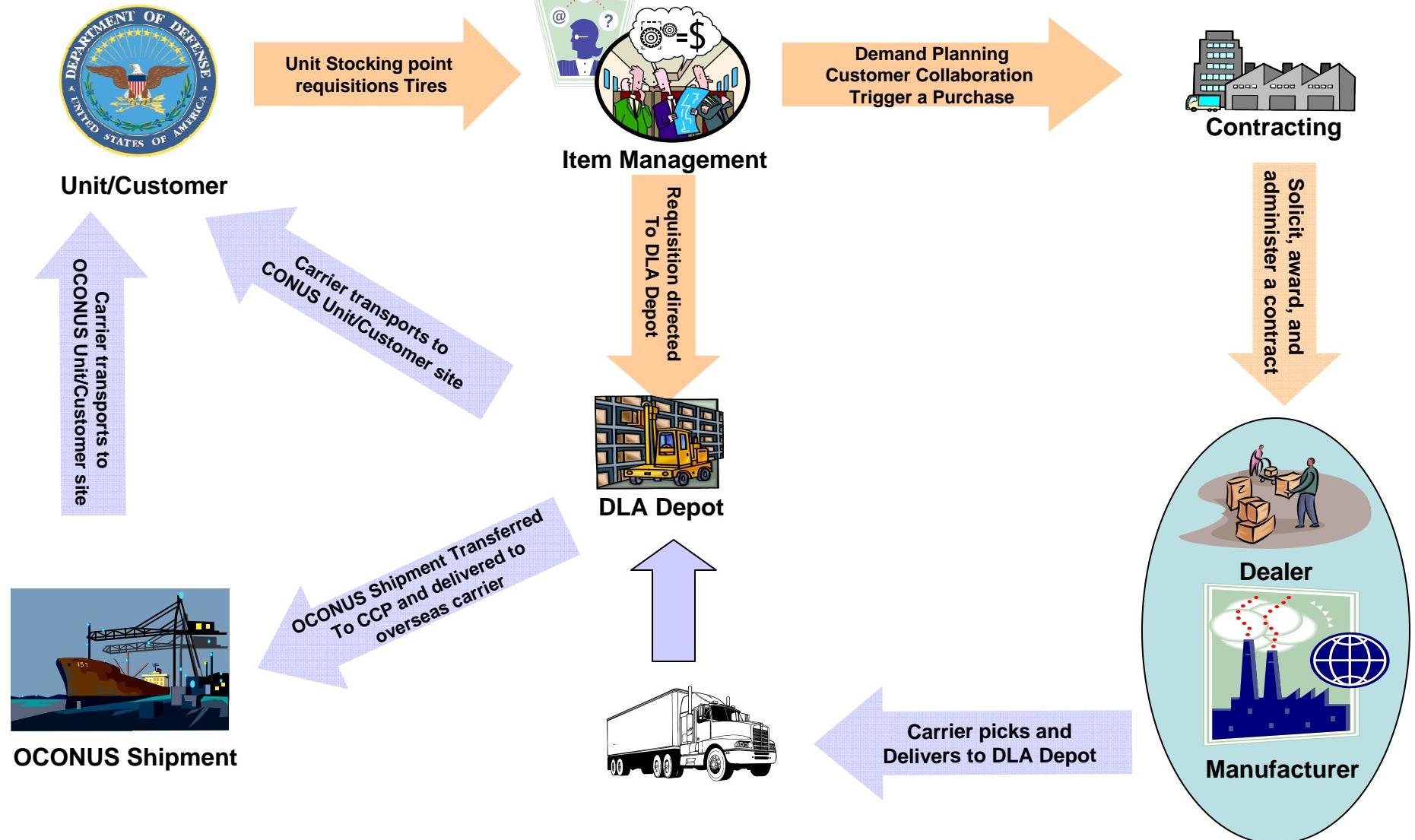
## Tech Quality Fundamentals (Shared)

- Streamlined Item Introduction
- Comprehensive Product Lifecycle Management
- Improved Product Quality Assurance

Does NOT include  
Design/Configuration  
Control

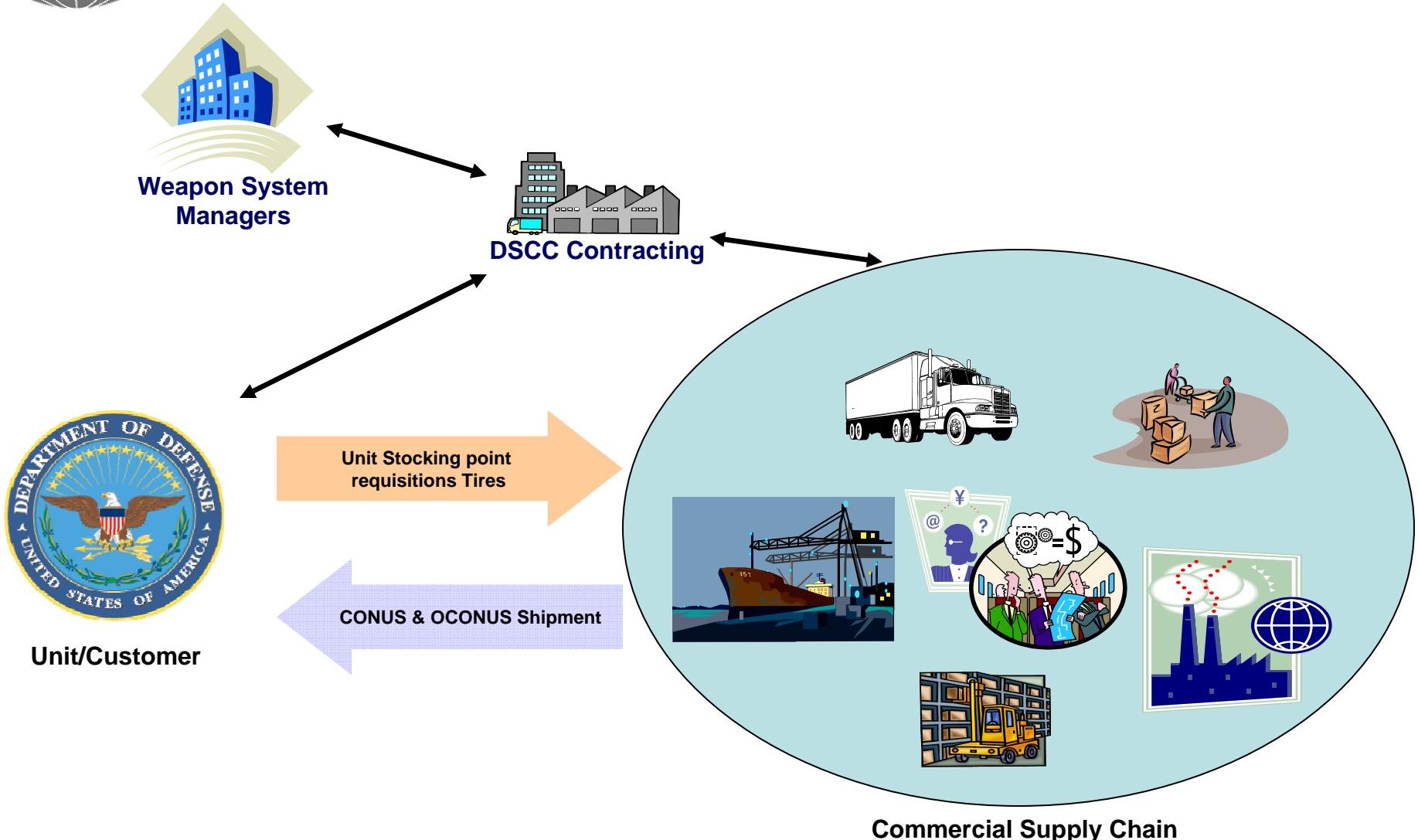


# DLA Supply Chain



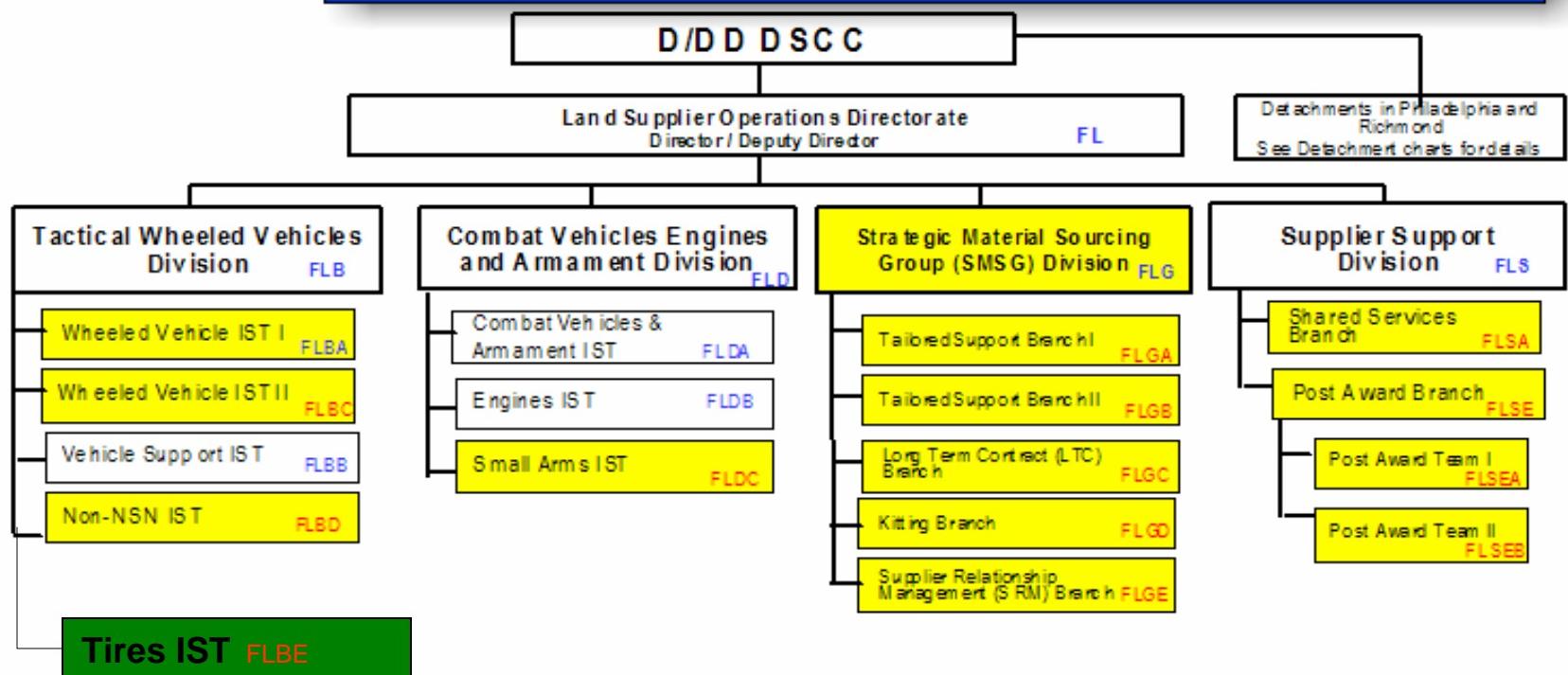


# Supply Contract Function





## Land Supplier Operations Organization Design





# Benchmark



Right tire, right place, and on-time  
with  
Savings



# Warfighter





# Questions



# Value Engineering Tools for Contractor Support

Dwayne Porter  
Castings and Forgings  
614-692-8857/DSN 850-8857

Mark Cutler  
Sustaining Engineering  
614-692-4939/DSN 850-4939



# Agenda



- Castings & forgings
- Value Engineering Change Proposals (VECP's)
- Replenishment Parts Purchase or Borrow (RPPOB)
- Sustaining Engineering (SE)



# Castings and forgings



# Castings & forgings



- Castings are complex metal shapes
  - Structural, mechanical, engineered applications
  - Formed from liquid metal, produced in a mold
  - Often are “hidden” components of an assembly
- Forgings can be complex or simple shapes
  - Forging is heated metal, but not molten
  - Formed by pounding or pressing it into the desired shape
  - Sometimes tooling is required,
  - Sometimes are “hidden” components of an assembly



Q

## DLA's Goal

Procure high-quality, cost-effective cast or forged parts for weapon systems to meet readiness requirements

I



# Procurement Issues



- Long lead times
- Defaulted contracts
- Identifying cast or forged parts/components at the assembly level
- Tooling availability
- Diminishing manufacturing sources
- Low quantity procurements
- Contracting to correct sources





# How to Identify



- Look at the “notes” section on the drawing for a casting process or forging process
- Look at the detail listings or separate parts list where it calls out alloys and processes
- Check on-line specs and standards for reference
  - Defense Standards
    - <http://assist2.daps.dla.mil/quicksearch>
  - SAE Website for AMS standards
    - <http://www.sae.org/technicalcommittees/index.htm>



# A Common Plan



- HQ DLA has implemented two programs
  - Shared cost between Government and Industry
  - Address key technical needs
- Castings for Improved Readiness (CIR)
  - Supported by American Metalcasting Consortium (AMC)
  - Managed by Advanced Technology Institute (ATI)
- PRO-FAST
  - Supported by Forging Defense Manufacturing Consortium (FDMC)
  - Managed by ATI
- Programs focus on three areas
  - Resolve casting/forging part problems
  - Training for Government personnel
  - Research & Development

**AMC**

**FDMC**



# Strategic Direction



- Ensure a viable casting or forging supply chain future
- Apply new technologies
- Reduce administrative and production lead times
- Utilize extensive casting and forging experience and knowledge to solve supply chain backorders
- Incorporate AMC/FDMC information into DLA's procurement processes to improve readiness

**AMC**

**FDMC**



# Remember, When Using AMC or FDMC they...



- Do not change your contractual responsibility
- Are not part of your contract
- Won't charge you, or won't pay you
- Are available to consult and assist
- Are an industrial organization, not government
- Cannot approve any tech data changes
- Cannot change anything in the terms and conditions of the contract

**AMC**

**FDMC**



## DSCC's X-IT Team



- Provides casting & forging assistance
- X-IT is comprised of Government and Industry representation
- X-IT is a resource available to the following:
  - DSCC Personnel: Product Specialists, Buyers, Planners
  - Engineering Support Activities (ESAs)
  - Contractors/Suppliers
    - With active DSCC contracts (w/Contracting Officers' approval)
    - Bidding on open DSCC solicitations



**AMC**

**FDMC**



# How X-IT Provides Assistance



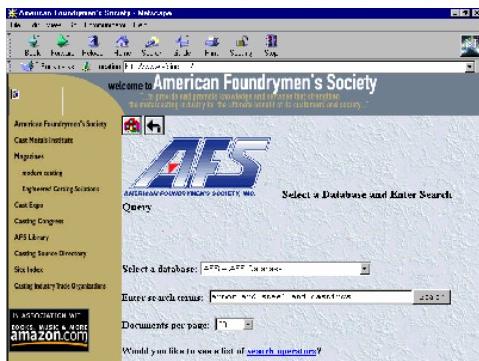
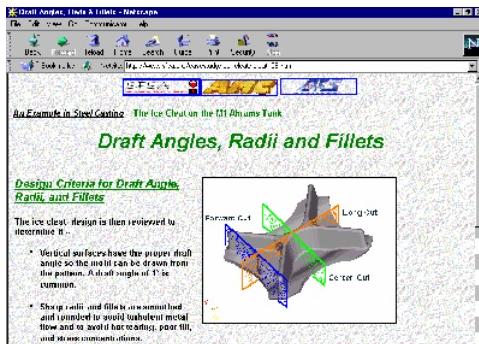
- **Process and Material** - Understand the required casting or forging process and material (may be buried in a OEM specification and not be apparent)
  - As-cast or forged tolerances
  - Surface finish requirements
- **Sourcing** – Identify capable sources when unable to manufacture due to unresponsive supply chain
- **Tooling** – Find source for tooling when unable to manufacture due to unavailable tooling
- **Technical Field Support** to foundry/forge, process, design, manufacture, or other problems
- **Update TDP** with current specifications, processes, etc and their interpretation
- **Assist Engineering Support Activity** in expediting required engineering analysis/response

**AMC**

**FDMC**



# Additional Casting Resources

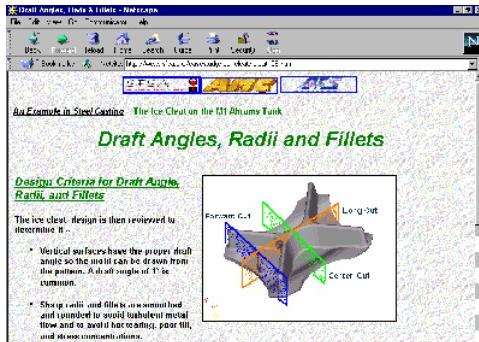


- **Defense Tooling Locator**
  - <http://www.defensetooling.net>
- **Steel Founders Society of America**
  - <http://www.sfsa.org>
- **America Founders Society Inc.**
  - <http://www.afsinc.org>
- **North American Die Casting Association**
  - <http://www.diecasting.org>
- **Non-Ferrous Founders Society**
  - <http://www.nffs.org>
- **American Metalcasting Consortium**
  - <http://www.amc.aticorp.org>

**AMC**



# Additional Casting Resources



- **American Metalcasting Consortium**
  - <http://www.amc.aticorp.org>
- **Defense Casting Suppliers**
  - <http://www.defensecastingsuppliers.com>
- **Defense Tooling Locator**
  - <http://www.defensetooling.net>
- **Steel Founders' Society of America**
  - <http://www.sfsa.org>
- **American Foundry Society**
  - <http://www.afsinc.org>
- **North American Die Casting Association**
  - <http://www.diecasting.org>
- **Non-Ferrous Founders' Society**
  - <http://www.nffs.org>

# AMC



# Additional Forging Resources



- **The Forging Industry Association (FIA) website:**
  - <http://www.forging.org>
- **FIA website for Custom Forging Producers:**
  - <http://forging.org/bguide/index.cfm>
- **Forging Defense Manufacturing Consortium**
  - <http://www.fdmcc.aticorp.org>

The screenshot shows the homepage of the Forging Industry Association (FIA). The top navigation bar includes links for File, Edit, View, Favorites, Tools, Help, Back, Forward, Stop, Refresh, Search, Favorites, Home, Site Index, Contact Us, Press Releases, and Classifieds. The main menu on the left lists: ABOUT FIA, BUYERS GUIDE, CALENDAR OF EVENTS, CAREER CENTER, CATALOG OF PRODUCTS, DESIGN CENTER, FDMC, FORGING FACTS, FORGING FORUM, FORGING UNIVERSITY, FOUNDATION, LIST OF MEMBERS, MEMBERSHIP, MEMBERS ONLY, RELATED SITES, REQUEST FOR QUOTE, SCHOLARSHIPS, TECHNOLOGY INITIATIVE, and WASHINGTON UPDATE. A sidebar on the right features links for Buyers Guide Home, Suppliers Guide, Captive/Catalog Producers, Post Job/View Resumes, Request for Quote, Post Job/View Resumes, Forge Fair, and Web Advertising. Below these are news items and a sidebar image showing industrial forging equipment.





# Yoke: Universal Joint



**NSN 2520-00-679-9246**

- Used on M113 Armored Personnel Carrier
- Supplier had no forging source
- FORGE-IT Team
  - Located forging source
  - Located tooling
- Enabled on-time delivery
- Lead time savings over 100 days
- Tooling cost avoidance of \$25,000





# Turbine Blowers



- Used on JFK Aircraft Carrier
  - Numerous NSNs involved
- Hardie-Tynes sole source supplier
  - Foundry source went out of business
- CAST-IT Team
  - Salvaged tooling for 78 parts
  - Identified new foundry source
- Supply chain was kept intact



**AMC**



# Value Engineering Change Proposals

**VECPs**



# Value Engineering Change Proposals



- Contractual method to share savings
  - Improve DoD supplies and/or equipment
  - Savings shared between Contractor and DoD
  - Described in FAR Clause 52.248.1
  
- Improvements include any price savings
  - Processes
  - Materials
  - Manufacturing techniques
  - Other





# Rules and Tools



- VECP clause in all DSCC contracts > \$25K
- Clause can be added by modification
- VECP can only be received on an instant contract
- Typical share ratio: 50/50
- Collateral lifecycle savings may be negotiated



# Desiccant Canister



**NSN 4440-01-004-8602**

- VECP submitted by Drytech Inc. resulted in significant lifecycle savings and increased lifespan for the waveguides on F-15 Aircraft radar
- After a strenuous approval process, Drytech Inc. received \$55,036 for the approved VECP





# Replenishment Parts Purchase or BProgram

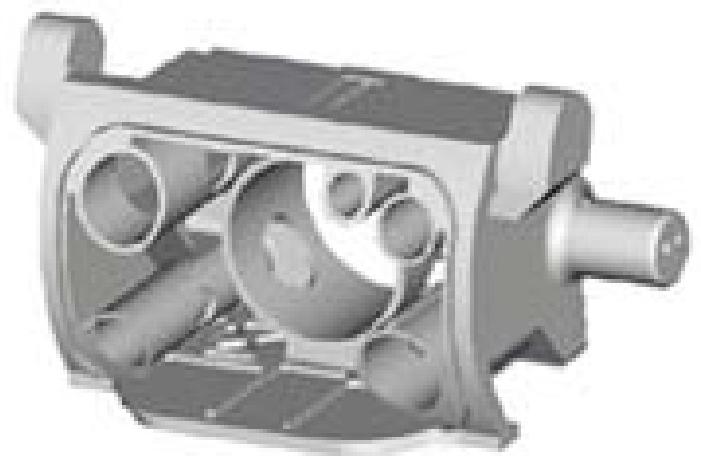
**RPPOB**



# Why RPOB



- Statutory Requirement
  - Defense Procurement Reform Act of 1984
    - Public Law 98-525, Section 1216(a)
    - Codified at Title 10 U.S.C. 2320(B)
- Promote full and open competition
- Develop new sources
  - Sole Source
  - Limited Competition Items

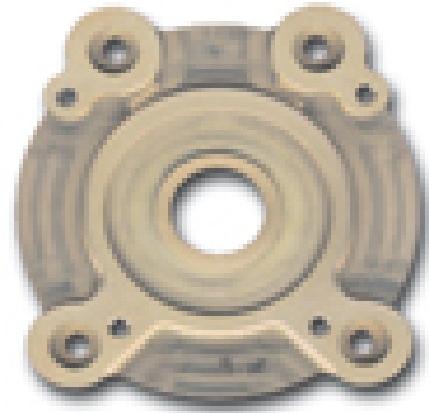




# RPPOB Methods



- Direct Purchase
  - Contractor purchases at Standard Unit Price (SUP)
  - Item is not returned
- Bailment
  - Item loaned at SUP
  - SUP held in Trust by DFAS
  - SUP monies returned
    - If item is returned in “A” condition
- View of Part
  - Contractors may inspect part in a designated area





# RPPOB – What it is Not



- Not intended to proof their manufacturing
- Not available on solicitations/contracts when:
  - In accordance with a drawing
  - In accordance with a specification
  - Not to test a competitors part



**Purpose: Develop New Sources**



# RPPOB Process



- Contractor request received
- Item reviewed as an RPPOB candidate
- Contact with ESA for approval to bail out
- Contractor provides monies and signs the agreement
- Item directly sent to Contractor
- Contractor provides alternate offer data package
- Data package sent to ESA for final approval
- System updated with approval



# Benefits



- Break Sole Source
- Provide additional sources on limited source items
- Provide source for obsolete items
- Reduce cost through enhanced competition
- Potential for Unlimited Rights TDPs

**Increased Competition = Lower Cost to Taxpayers**



# Sustaining Engineering Program

**SE**



# Sustaining Engineering



- Improve/upgrade DLA-managed items
  - New technology
  - Quality/reliability improvements
  - Ease of maintenance improvements
  - Improve logistics footprint
- Save money!!
- DLA initiates SE Program
  - Aviation items
    - DSCR: Jan 03
  - Land and Maritime items
    - DSCC: Jan 04





# DSCC Sustaining Engineering



- Proposals solicited from all services
- Proposals evaluated by DSCC team
  - Value Management Team lead
  - Weapon System Support Manager (WSSM)
  - Cognizant Maritime/Land Application Team
    - Engineer/technical
    - Product Assurance
    - Buyer
- Selections funded/implemented in order of
  - Date of receipt
  - Weapon system support impact
  - Overall best value to customer
- Accepted proposals funded by DSCC
  - Coordinated with ESA
  - Funds available FY06: \$5M





# Project Selection Criteria



- DLA/DSCC managed item
- Minimum ROI of 10:1
  - Lifecycle savings
- Make positive impact
  - Operational readiness
  - ALT/PLT
  - Item demand
  - Unit price
- Reduce field maintenance actions
- Improve competitive position
  - Availability of tech data
  - Increase sources of supply



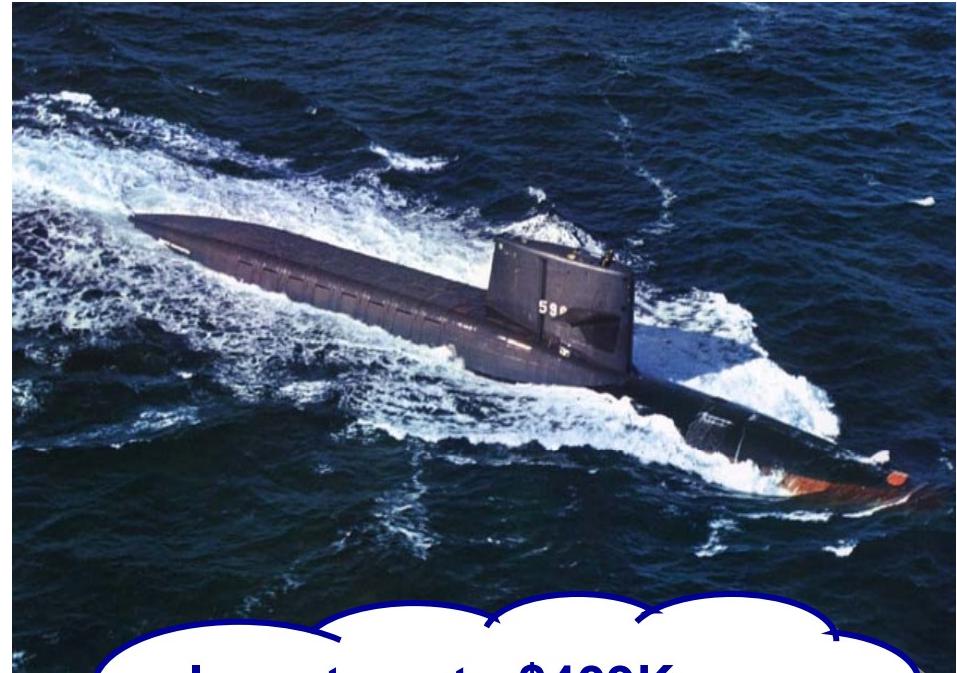


# Naval Transmitter Buoy



**NSN 5820-01-500-7012**

- Upgrade Transmitter Buoy to a single buoy to replace the current four-buoy system used by all US Navy submarines
- Benefits include:
  - Four NSNs cancelled
  - Four Allowance Parts Lists (APL's) replaced with one
  - Shipboard storage space reduced
  - 50% reduction in acquisition cost
  - CONUS source



**Investment: \$409K**  
**ROI: 24:1**  
**Project Savings: \$10M**

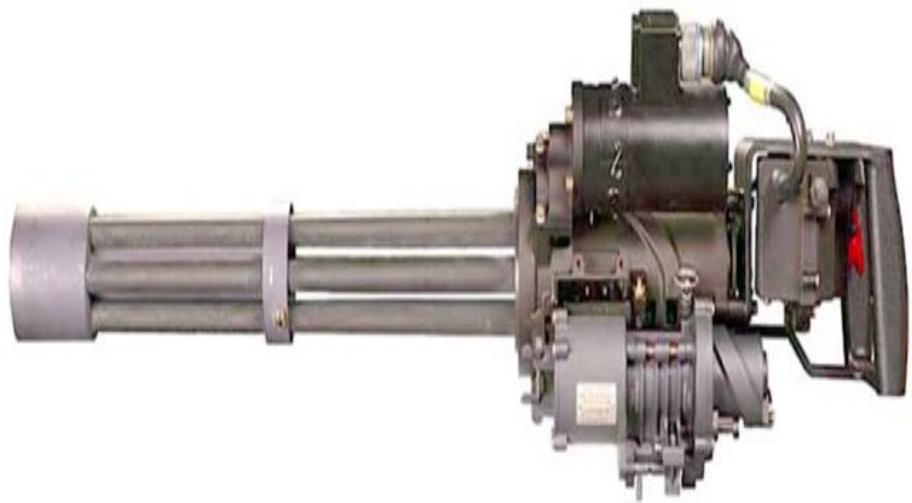


# M-134 Mini-Gun Wear Gage



**NSN 1005-00-903-0933**

- Rock Island Arsenal (RIA) developing barrel wear gage for M-134 Mini-gun
- Barrels currently replaced every 100,000 rounds fired
- Barrel wear gage will assess remaining barrel life
- RIA estimates a lifespan of over 200,000 rounds a barrel
- Extending barrel life will reduce support and operating cost



**Investment: \$115K**  
**ROI: 31:1**  
**Project Savings: \$4.5M**



# Summary



- DSCC's Value Management Office provides support
  - Government
  - Customers
  - Suppliers
- Our focus
  - Provide solutions on problem parts
  - Reduce acquisition and support costs
- For further information
  - Contact attached P.O.C.'s
  - Visit our booths: #711 & #712 on DSCC row



**Overall Goal: Support the Warfighter**



# Points of Contact



**VE Program Manager:** Dave Szczublewski

614-692-8854 / DSN 850-8854 / [david.szczublewski@dla.mil](mailto:david.szczublewski@dla.mil)

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**VEB Team Chief:** Diana Cross

614-692-3100 / DSN 850-3100 / [diana.cross@dla.mil](mailto:diana.cross@dla.mil)

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**Castings & forgings:** Dwayne Porter

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**RPPOB:** Daniel Bonner

614-692-4203 / DSN 850-4203 / [daniel.bonner@dla.mil](mailto:daniel.bonner@dla.mil)

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**VEE Team Chief & VECP:** Mitchell McElroy

614-692-8824 / DSN 850-8824 / [mitchell.mcelroy@dla.mil](mailto:mitchell.mcelroy@dla.mil)

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**Sustainment Engineering & VECP:** Mark Cutler

614-692-4939 / DSN 850-4939 / [mark.cutler@dla.mil](mailto:mark.cutler@dla.mil)

# ***Breakout Workshop Sessions***

## **DOD EMAIL DEMONSTRATION/OVERVIEW**

### **Mr. Howard (Tony) Griffin**

The DoD EMALL will be the DoD customer's first choice to search, find, compare and buy commercial and military products and services. Through the DoD EMALL, Defense Department and other federal government purchasers can access more than 15 million products from nearly 800 suppliers in a secure environment that allows cross-catalog shopping for best value selection of items needed on the job.

## **VALUE ENGINEERING TOOLS FOR CONTRACTOR SUPPORT**

### **Mr. Dwayne R. Porter**

### **Mr. Mark D. Cutler**

The Value Management (VE) Office strives to be a premier provider of support and services to our customer, the Warfighter, by continually seeking to improve their processes, skills, technology and relationships. The Value Management Office (VE) knows the DSCC customer is faced with a constantly changing environment and needs as they perform their job. It is the Value Management Office (VE) responsibility to assist the DSCC customer and provide them with the necessary equipment to succeed.

## **BUSINESS SYSTEMS MODERNIZATION/PROCESS AUTOMATION**

### **Ms. Julie N. Van Schaik**

### **Mr. Michael J. Corelis**

### **Mr. Alan C. Searfoss**

### **Ms. Patrice M. Francis**

### **Ms. Tammy L. Solt**

### **Ms. Tara L. Dailey**

### **Mr. Doug Griffith**

### **Mr. Todd Lewis**

### **Ms. Pat McCreay**

This workshop will consist of an overview of information covering Business Systems Modernization (BSM) Systems/Application. The presentation covers electronic initiatives, including the DLA Internet BidBoard System (DIBBS); the procurement Automated Contracting System; and DLA's Pre-award Contracting System/Electronic Commerce; Internet Quoting; and email notification process.

## **TIRE COMMODITY MANAGEMENT PRIVATIZATION (BRAC)**

### **Mr. Matthew O. Geary**

### **Mr. Mark A. Stanley**

The Defense Supply Center Columbus is implementing the 2005 Base Closure and Realignment Act (BRAC) recommendation on Tire Commodity Management Privatization, which will transform the manner that tires are supplied to the Department of Defense customers. The BRAC Tire Privatization Initiative is designed to achieve economies and efficiencies that enhance the effectiveness of logistics support to forces as they transition to more joint and expeditionary operations. This recommendation disestablishes the supply, storage and distribution functions for all tires used by the Department of Defense, retaining only the supply contracting functions for the tire commodity. DSCC will privatize these functions and will rely on private industry for the performance of supply, storage and distribution of these commodities.

## **LAND SUPPLY CHAIN**

### **Colonel Stephen G. Bianco, USA**

### **Dr. Ivan K. Hall**

### **Tiffany L. Givens-Barnett**

The Defense Supply Center Columbus Land-Based Weapon Systems Group will provide an overview on the Vision, Mission & Functions of the Land Supply Chain & Detachments, Strategic Supply Chain Relationships and an emphasis on Contract Award & Contract Administration. Time is allotted for questions and answers.

# ***Breakout Workshop Sessions***

## **DLR - DEPOT LEVEL REPARABLES (BRAC)**

### **Mr. Stephen E. Rodocker**

The 2005 base Realignment and Closure (BRAC) Commission approved the Secretary of Defense recommendation to consolidate the Depot level Reparable (DLR) procurement management and other related support functions from the Military Service components to the Defense Logistics Agency. The transition is scheduled to begin in FY 2008 and be completed no later than FY 2011. The planning and implementation recommendations are being developed by a Joint Service DLR Working Group comprised of senior DoD procurement officials and senior logisticians from all military components. The foundation of this transition is a Concept of Operations (CONOPS) which will guide the implementation and establish an overarching vision for the future. The myriad tasks associated with DLR procurement management are being developed and include workload planning and transition based on an incremental tiering approach, DLR procurement governance designed to facilitate joint DLR procurement opportunities, establishing Financial, Information Systems, Human capital and performance Management plans and establishing DLA buying Detachments in an "as-is, where-is" environment. Challenges abound but the DLR Working Group is working jointly to identify, assess and mitigate the obstacles that could prevent a successful transition.

## **DFAS YOUR FINANCIAL PARTNER @ WORK**

### **Ms. Cheri Bundy**

### **Ms. Suzanne Walters**

### **Ms. Michelle Woldt**

The staff of the Defense Finance and Accounting Service of Columbus Ohio and the HQ Defense Contract Management Agency will present a briefing on current strategic initiatives designed to streamline the processing and completion of contract payments. Where used, WAWF virtually eliminates late payments and interest penalties. Vendors save time associated with mailing and processing documents through the Defense Finance and Accounting Service.

## **RADIO FREQUENCY IDENTIFICATION (RFID)/PACKAGING**

### **Ms. MaryAnn Wagner**

### **Ms. Jeanie M. Beisner**

### **Mr. Hance L. Barnett**

The Defense Supply Center Columbus (DSCC) Packaging Office and the Office of the Assistant Deputy Under Secretary of Defense (Supply Chain Integration) will provide information on military packaging and marking requirements for DLA shipments including the latest requirements for Radio Frequency Identification Technology (RFID) and the various types of tags and mandatory dates of mandatory implementation.

## **DSCC SMALL BUSINESS PROGRAM/SOURCING INITIATIVES**

### **Ms. Eleanor G. Holland**

### **Ms. Rebecca A. Parks**

### **Ms. Vikki C. Hawthorne**

The Defense Supply Center Columbus Small Business Center will present a briefing on the DSCC outreach initiatives designed to increase the sourcing of contracts to small businesses. You will gain knowledge about small business initiatives and gain insight in understanding the complexities of DSCC's procurements. Time is allotted for questions and answers.

## **MARITIME SUPPLY CHAIN**

### **Captain Griffin Warren, SC, USN**

### **Ms. Ann C. Bradway**

### **Mr. Kenneth E. Rumbaugh**

The Defense Supply Center Maritime Weapon Systems Group will provide an overview on the Vision, Mission & Functions of the Maritime Supply Chain & Detachments, Strategic Supply Chain Relationships and an emphasis on Contract Award & Contract Administration. Time is allotted for questions and answers.